Effects of Covid-19 on Tourism in Lumbini Province of Nepal

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Abstract

This research article aims to assess the impact of the COVID-19 pandemic on the tourism sector in four districts of Lumbini Province, Nepal, namely Banke, Bardiya, Dang, and East Rukum. The COVID-19 outbreak, which originated in Wuhan, China in December 2019, rapidly spread worldwide, affecting people of all ages, with greater severity observed among the elderly and those with chronic health conditions. Declared a pandemic by the World Health Organization (WHO) in March 2020, the COVID-19 crisis has brought uncertainty and has significantly impacted various sectors of human life, including the economic, political, social, and cultural aspects. Given the relevance of measuring the pandemic's impact, this study primarily focuses on the economic consequences in the tourism sector. Specific objectives include examining the effects on tourist arrivals, the income of entrepreneurs, and the level of employment in the selected districts. However, the study acknowledges certain limitations, such as its exclusive focus on only four districts of Lumbini Province, limiting generalization to the entire nation. Additionally, it solely examines the economic impact of COVID-19, excluding other potential impacts related to social, behavioral, and cultural aspects. To collect data for the research, quantitative methodologies and statistical software were utilized, gathering primary data from various tourism-related establishments such as hotels, restaurants, cottages, grocery stores, and trekking companies. The study emphasizes the importance of early-stage exploratory research to better understand the economic impact of the pandemic on the tourism industry in the selected regions.

Keywords: Covid 19, tourism, economy, employment, business

Introduction

Lumbini Province is one of the main tourist centered province of Nepal. This province is named after the birthplace of Lord Buddha, Lumbini, which lies in Rupandehi district. Thousands of tourists from abroad and inside the country visit the birthplace of Lord Buddha every year. Besides Lumbini, this province has several other tourists centres like National Parks (Banke National Park and Bardiya National Park), a hunting reserve, Dhorpatan Hunting Reserve and other natural place of attraction. The longest river of Nepal- Karnali, many famous temples like Bageshwari Temple and Swargadwari etc. are in this province. Thousands of Indian tourists come to Nepal to reach Kailash Manasarobar via Nepalgunj city. They travel to Kailash (China) crossing the Hilsa border of Humla district. Also this province is famous for different types of
culture and traditions of different cast and ethnic groups.

The number of tourists visiting this province is increasing every year. Many tourism related infrastructures had been developed and some are under construction. In the meantime, COVID-19 turned up as a global pandemic. Nevertheless, Nepalese economy is not an exception to this global pandemic. In addition, this pandemic is not only confined to mere health crisis, but it propelled a severe labour market crises and economic crisis. This study is the attempts to assess the impact of COVID-19 pandemic in tourism sector in four districts of Lumbini Province that is Banke, Bardiya, Dang and East Rukum.

Banke

This district is rich in terms of culture and tradition, Religious and ethnic diversity adds beauty to the social structure of this district. This district is good examples of harmony and peace among Hinduism, Islam, Buddhism and the Christians religions. Many tourists’ attraction places and natural heritages like Banke National Park, Bageshwory Temple lies in this district. Similarly Banke district is the Trekking Gateway for Kailash Manasarowar, and Rara Lake. Besides, Nepalgunj airport serves as a centre for air route to Karnali Province.

Bardiya

This district is also a hub of different natural lake like Badhaiya Taal, Satakhaluwa Taal, Bhagar Taal. The rare deer Krishnasar (Black Buck) can be seen in Bardia. Chisapani Pool (Coldwater bridge) standing on single pillar in East West high way lies in the border of this district. Kothiyaghat Bridge, the longest bridge of Nepal which is one Kilometer and 15-meter-long also lies in Bardiya district. Historical Tharu cultural is famous culture of Nepal and Tharu cultural home stays are established in this district to attract both local and foreign tourists.

Dang

Dang valley is rich in ancient temples like Pandeswar Mahadev Temple, Ambeshwari Temple. Places with immense historical values, different cultures and languages of different castes. Also it has attractive landscapes, natural lakes (Jakhera Lake, Barahakune Daha etc.), waterfalls and various types of attractive biological flora and fauna. Rapti and Babai are the major rivers which flow through the district.

East Rukum

East Rukum is the only mountain district of this province with its tallest mountains (Putha Himchuli) and it has been included as one of “Nepal’s Top Hundreds Travel destinations” by the government of Nepal. The district is known for its 52 lakes and 53 hills. Dhorpatan Hunting Reserves, Rukmini Lake (Kamal Daha) and Guerrilla Trekking route are the major tourist’s area of this district.

Nepal has also been affected adversely by the pandemic. When the first case of COVID-19 appeared on 23 January, 2020; government took some immediate actions to make protection
from it. After the second case of COVID-19 was seen in 23 March 2020, government locked the country down and suspended all national and international flights.

Massive cancellation of national and international Flights, hotels and tourist bookings followed resulting in widespread unemployment, loss of income and threatened livelihood for millions of people. Similarly all types of transportation banned lock down and making half year staying of people in home damaged all sectors of economy. The most affected area of Nepalese economy is tourism sector. Considering the intensity of corona virus and its health impact, Nepal Government had to cancel the ambitious campaign “Visit Nepal Year 2020” which aimed in bringing 2 million tourists in Nepal. In preliminary study, it is reported that the impact recorded 14.37% loss to Nepalese economy by COVID-19.

Tourism sector is one of the Nepal's largest industries. Tourism revenue in 2018 accounted for 7.9 percent of GDP of the country (World Travel and Tourism Council, 2018). This sector provides more than one million job opportunity in private sectors. The key business sectors disrupted are airlines, hotels, restaurant, trekking, travel and tours etc. Due to massive damage in tourism sectors, banks and financial institution also are suffering in loss of their investments in hospitality and aviation sectors. As a result of this, there is a negative chain effect in the tourism sector which in turn slows down the economic activities of the country and hence finally affected the GDP.

This study aims to measure the impact of COVID-19 pandemic on tourism sector of Banke, Bardiya, Dang and East Rukum districts. The new corona virus (COVID 19) which emerged in December, 2019 in Wuhan, China, later broke out all over the world immediately. It affected all people of different ages, but severity is more on elders and chronic diseased peoples. Seeing its severity, World Health Organization (WHO) declared COVID-19 as a pandemic on 12 March, 2020. The outbreak of COVID-19 pandemic has brought uncertainty everywhere and spilt over its impact on almost all the sectors (economic, political, social and cultural) of human life. World's economy compelled to pass through national wide and community lockdown, social distancing, work from home, stay at home, self-quarantine and mandatory quarantine, isolation, ventilators and many more products. So it hammered almost all sectors of human life.

Hence, to measure the impact caused by this pandemic is relevant. Therefore, this study attempts to assess the impact of COVID-19 pandemic in tourism sector. For this purpose, four districts of Lumbini Province i.e. Banke, Bardiya, Dang and East Rukum are selected.

**Research Objectives**

The general objective of the study is to analyse the economic impact of Covid-19 on tourism in Banke, Bardiya, Dang and East Rukum. Its specific objectives are as follows:

a) To examine the impact of Covid-19 on tourist arrival.
b) To examine the impact on Income of entrepreneurs.
c) To examine the impact on level of employment.

**Limitations of the Study**
The possible limitations of the study are as follows:

a. The study is only limited to 4 districts of Lumbini province. Hence, its findings may not be generalized to the whole nation.

b. The study is limited to economic impact of COVID-19. Other impacts of COVID-19 such as Social, Behavioural, and Cultural etc. are not studied.

c. The study uses the information and opinions obtained from the respondents.

**Literature Review**

The literature review examines what writers and researchers have written and how contemporary research contributes to the field. Introduction, theoretical, and empirical reviews comprised this literature review.

The COVID-19 pandemic is changing people's economic behavior, which will impact the tourism industry and host nations. Limitations on travel, physical contact, and social distance, as well as changes in tourists' and patients' decision-making priorities, have diminished their motivation to leave home and seek tourism services. COVID-19 has rapidly affected all economic and social activity. Thus, it is too early to quantify the annual financial losses from the tourism malfunction. However, a preliminary method is needed to assess the effects and assess the current situation. It will help create a tourism pandemic plan.

**Nepal's COVID-19 Impact**

Nepal relies on tourism. Tourism supplied 1.05 million jobs and 7.9% of the country's GDP in 2018 (World Travel and Tourism Council, 2018). On January 1, the 'Visit Nepal 2020' campaign promised to attract 2 million people, make $2 billion, and create thousands of jobs. 1.19 million tourists visited Nepal in 2019 (Sah, et al. 2020).

South Asian Women Development Forum (SAWDF, 2020) found that Covid 19 has already affected tourism, trade and production ties, and health. The epidemic has devastated tourism, aviation, and hospitality. All spring mountaineering trips, including Everest ascents, were canceled due to COVID-19, costing 13,000 tour, hiking, and mountain guides their jobs. The pandemic has hurt businesses, governments, and people. The coronavirus is costing banks hotel and aviation investments. The manufacturing sector also felt it. After the COVID-19 pandemic, 5–6 million migrant workers may return to Nepal. Nepali employment in the Gulf and Malaysia is expected to drop by 10–30%. The National Planning Commission predicts over six million employment losses due to the pandemic. 800,000 may lose their tourism jobs (Bhatta, 2020).

According to a second ILO study, the disease has affected 3.7 million Nepalese workers. The ILO estimates that the epidemic has cost Nepal 1.6 million to 2 million jobs, resulting in either outright unemployment or reduced working hours and income (Budhathoki, 2020). COVID 19 has caused Nepalese banks to struggle with credit, trade finance, liquidity, income, and more. When demand drops and companies lay off workers, consumer and business cash flow will fall. Due to late interest and principle payments and non-renewal of revolving loans, non-performing loans would rise (Karki, 2020).
By March 2020, COVID 19 has infected many. SARS, Spanish flu, and other epidemics can help determine pandemic intensity. On March 12, 2020, COVID-19 was declared a pandemic, affecting tourism and hospitality. (WHO, 2020). The COVID 19 epidemic might cost 100.08 million travel and tourism jobs worldwide. The epidemic hurts the economy, politics, and society.

The travel and tourism industry misjudged the impact of the COVID-19 pandemic in China. Policymakers and tourism professionals still don't understand the crisis's extraordinary effects on the tourism sector. Few studies have examined how pandemics affect tourism. Our essay examines the global and regional implications of the COVID-19 pandemic. The study investigates what is expected to hurt the global tourism industry. It will also study the impact. Knowing the potential impact and global transmission networks can help us predict pandemic impacts on the travel and tourism sector. As a response to the COVID-19 pandemic, it will help policymakers and practitioners devise policies to build capacity and sustain the travel tourism business in 2020–2021. Health care innovations will help stop this pandemic.

COVID 19, a humanitarian tragedy, caused a global economic crisis. Tourism is not lagging. The outbreak has affected foreign currency earnings (FEE), regional growth, and jobs, disrupting local communities. a huge drop in foreign visitors to India.

The Wuhan-born COVID-19 pandemic has expanded worldwide. The WHO declared this epidemic. Illnesses and deaths have skyrocketed. Travel bans, school closures, and internal movement restrictions are needed to stop the disease's spread. Tourists will be most affected by travel restrictions and border closures. UNWTO (2020) expects a 20%–30% (300–450 US$ billion) drop in tourist expenditures.

As the corona virus spreads, these numbers are expected to grow in 2020. Tourism's impact on global diseases is studied. Zeng saw SARS as a short-term calamity that hurt China's tourism business. It suggests that foot-and-mouth illness hurts UK tourism. It explores how Avian Flu and SARS affected Asian tourist arrivals. Tourist arrivals plummeted in SARS-affected countries but had minimal effect on Avian Flu countries. Mc Kenzie finds that SARS affects tourism more than Avian Flu. Rosselló analyzes how Malaria, Yellow Fever, Dengue, and Ebola affect tourism in affected nations. Using dummy factors, these ailments reduce tourist arrivals, especially malaria, which decreases them by 47%. To understand pandemic effects on tourism, Yang constructed a dynamic stochastic general equilibrium (DSGE) model. The model shows that COVID-19 increases health risk and decreases tourist demand.

The Corona virus epidemic has had unprecedented impacts on tourism and hospitality. In response, a lot of descriptive research on the epidemic's short-term effects is being done. Such studies usually confirm that the pandemic is harming tourism worldwide. Since it mostly reports the numbers of a struggling sector, such study is often useless. These attempts are likely to be restricted to a snapshot in time, without theoretical reason for what is happening, why it is happening, and how the pandemic may effect tourism long-term. Theory-based research on how COVID-19 may impact tourism is few. Eventually, the pandemic will diminish and travel restrictions will be lifted, but some visitors' psyches may change. It's hard to predict how it may
affect travelers' mindsets, but its impact on tourism may be huge. Recognizing visitor demographics

Tourism researchers and businesses need psyches during and after COVID-19. This study uses a novel theoretical framework to formalize such changes, making it a future-oriented study unlike most pandemic research. Thus, we answer requests for COVID-19 tourist research that goes beyond the "obvious and just descriptive" and analyzes "deeper underlying links" (Zenker & Kock, 2020, p. 1).

Its gradual reopening after COVID-19 will boost tourism and optimism. Given the domestic sector's favorable outlook, the country's major stakeholders must consider future opportunities and risks to shape supply and demand to satisfy domestic tourists' demands. COVID-19 has affected tourism services and commodities in South Africa, but data is few. This is vital for post-COVID-19 solutions that meet future visitors' needs, especially domestic tourists. The Department of tourist, Tourist Business Council of South Africa, and International Finance Corporation all studied the tourist business in 2020 and found that the pandemic had a widespread negative impact. This study examined the COVID-19 epidemic, its effects on tourism, and ways to boost domestic visitor demand. The report analyzes how COVID-19 affects tourist goods supply and demand to provide post-event solutions. The study method includes case studies of local attractions offering a variety of visitor services. The study includes six objectives. We'll review international discussions and practices on restoring domestic tourism after COVID-19 to lay the framework. Find South African tourism-dependent towns to evaluate COVID-19's impact on tourism demand. Check how COVID-19 affects tourist items. After the COVID-19 epidemic, the tourism sector faces new issues that must be addressed to meet tourist needs. To determine if altering supply and demand can suit the wants and preferences of (mainly domestic) tourists. This project addressed demand-side and supply-side issues. The study employed questionnaires and in-depth interviews.

Research Methodology

This research has deeper analysis and data. Quantitative methodologies and statistical software are taught. Hotels, restaurants, cottages, grocery stores, tea shops, puja shops, trekking companies, etc. provided primary data for the research. Covid's economic impact on a tourism location was the study's main focus. Exploratory approaches focus on why questions, while descriptive methods collect a lot of economic data. Exploratory research is done on undefined issues. To better understand the situation. This research starts with a broad idea and uses it to find questions for future research. The researcher must adapt to new data and insights. Early-stage issues are often studied. Grounded theory or interpretative research answers what, why, and how questions. When a topic needs in-depth study, exploratory research is done. A study like this investigates the issue and its context, not draws conclusions. This type of study will allow a researcher to solidify his ideas, choose the right research design, and discover key variables. Most importantly, such research can help organizations and researchers save time and money by determining whether to pursue it.
Result and Discussion

All the information collected from primary source are coded, entered and tabulated with the help of MS Excel, data are analysed to derive the derived statistical values for the statistical analysis to support the stated objectives of the study. To make the findings clearer and eye-catching to the reader different, graphs, charts, and diagrams are prepared. Simple statistical tools like average, ratio, bar diagram are used to present the data in a meaningful manner.

The results are illustrated with the help of table and figure which will clearly able to explain the findings.

Purpose of Tourist Arrival

The tourist mainly visits for religious and cultural purpose. Youth mainly visits for enjoying the natural beauty. The total number of tourist arrival is shown on the table.

Table 1

<table>
<thead>
<tr>
<th>Purpose of tourist arrival</th>
<th>No. of tourist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religious</td>
<td>53</td>
</tr>
<tr>
<td>Cultural</td>
<td>96</td>
</tr>
<tr>
<td>Natural</td>
<td>109</td>
</tr>
<tr>
<td>Others</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td>267</td>
</tr>
</tbody>
</table>

From the survey of 267 households under study area, it revealed that most of the tourist arrivals in study area seek to observe natural beauty. Similarly, 20% tourists visit for religious purpose, 36% visit for cultural reason and 3% for other purposes.

Source of Tourists

The tourist comes from own nation as well as other nation. The nation is also divided into provinces. Therefore, tourist comes from same province as well as other province in the tourism area.

Table 2

Source of Tourist
Survey data reveals that out of total tourist arrivals in study area, 46% were from lumbini province and 27% from other provinces of Nepal. Similarly, 18% were from India and 9% of the total tourists’ arrivals were from other countries.

**Number of Daily Tourists Arrival before Pandemic**

The number of tourist arrival among the tourism place among all 4 district in terms of numbers before covid are listed in the table

<table>
<thead>
<tr>
<th>Source</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own province</td>
<td>123</td>
</tr>
<tr>
<td>Other province</td>
<td>72</td>
</tr>
<tr>
<td>India</td>
<td>48</td>
</tr>
</tbody>
</table>

Table 3

*Number of Daily Tourist Arrival before Pandemic*

<table>
<thead>
<tr>
<th>No of tourists</th>
<th>Banke</th>
<th>Bardiya</th>
<th>Dang</th>
<th>East Rukum</th>
<th>Total</th>
<th>% in total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-5</td>
<td>0</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>1.5</td>
</tr>
<tr>
<td>6-10</td>
<td>3</td>
<td>14</td>
<td>7</td>
<td>9</td>
<td>33</td>
<td>12.35</td>
</tr>
<tr>
<td>11-15</td>
<td>9</td>
<td>4</td>
<td>6</td>
<td>11</td>
<td>30</td>
<td>11.23</td>
</tr>
<tr>
<td>16-20</td>
<td>17</td>
<td>14</td>
<td>22</td>
<td>5</td>
<td>58</td>
<td>21.72</td>
</tr>
<tr>
<td>20 above</td>
<td>28</td>
<td>39</td>
<td>40</td>
<td>35</td>
<td>142</td>
<td>53.18</td>
</tr>
</tbody>
</table>

The number of daily tourist arrivals before pandemic amongst the selected 267 respondents under study. Study reveals that 4 respondents have number of daily tourists ranging from 1 to 5. Similarly, 33 respondents have number of daily from 6 to 10, 30 respondents have number of daily tourists from 11 to 15, 58 respondents have number of daily tourists from 16 to 20 and 142 respondents have number of daily tourists above 20.

**Number of Daily Tourists Arrival after Pandemic**

The tourist arrival decreased by a higher number in comparison to pre covid. The number are listed in the table.

Table 4

*Number of Daily Tourists Arrival after Pandemic*

<table>
<thead>
<tr>
<th>No. of tourists</th>
<th>Banke</th>
<th>Bardiya</th>
<th>Dang</th>
<th>East Rukum</th>
<th>Percentage in total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Reduction in Number of Daily Tourists Arrival

The reduction in tourist arrival is listed in the table which is the difference of incoming before and after the Covid.

Table 5

Reduction in Tourist Arrival

<table>
<thead>
<tr>
<th>no of tourists</th>
<th>Banke</th>
<th>Bardiya</th>
<th>Dang</th>
<th>East</th>
<th>Total</th>
<th>% in total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-3</td>
<td>0</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>18</td>
<td>6.74%</td>
</tr>
<tr>
<td>4-7</td>
<td>3</td>
<td>14</td>
<td>7</td>
<td>9</td>
<td>52</td>
<td>19.48%</td>
</tr>
<tr>
<td>8-11</td>
<td>11</td>
<td>4</td>
<td>6</td>
<td>11</td>
<td>50</td>
<td>18.73%</td>
</tr>
<tr>
<td>12-15</td>
<td>17</td>
<td>14</td>
<td>22</td>
<td>5</td>
<td>42</td>
<td>15.73%</td>
</tr>
<tr>
<td>15 above</td>
<td>28</td>
<td>39</td>
<td>40</td>
<td>35</td>
<td>105</td>
<td>39.32%</td>
</tr>
</tbody>
</table>

The data shows that 18 respondents have number of daily tourists reduced from 1 to 3, Similarly, 52 respondents revealed number of daily tourist arrival reduced from 4 to 7, 50 respondents revealed number of daily tourist arrival reduced from 8 to 11, 42 respondents disclosed that number of daily tourist arrival reduced from 12 to 15 and 105 respondents revealed that number of daily tourists arrival reduced was above 15.

Monthly Turnover before and after Pandemic

The monthly turnover before and after Pandemic and the decrement is shown in the table.

Table 6

Monthly Turnover before and after Pandemic

<table>
<thead>
<tr>
<th>Districts</th>
<th>Monthly turnover before pandemic per firm (Rs. 000’s)</th>
<th>Monthly turnover after pandemic per firm (Rs. 000’s)</th>
<th>Percentage Increase(Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banke</td>
<td>393</td>
<td>172</td>
<td>(56.23%)</td>
</tr>
<tr>
<td>Bardiya</td>
<td>270</td>
<td>103</td>
<td>(61.85%)</td>
</tr>
<tr>
<td>Dang</td>
<td>286</td>
<td>107</td>
<td>(62.59%)</td>
</tr>
</tbody>
</table>
Survey reveals monthly turnover of firms after the pandemic has decreased by 56.23% in Banke district. Similarly, monthly turnover of firms after the pandemic has been reduced by 61.85% in Bardiya district, 62.59% in Dang district and 59.33% in East Rukum district.

**Average Reduction in Income of firms**

The decrement in Net income of a firm is presented in the table.

**Table 7**  
*Average Reduction in Income*

<table>
<thead>
<tr>
<th>Districts</th>
<th>Average reduction in monthly transaction (Rs. 000’s)</th>
<th>Average profit percentage</th>
<th>Average monthly reduction in net income per firm (Rs.000’s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banke</td>
<td>221</td>
<td>17.68%</td>
<td>39.07</td>
</tr>
<tr>
<td>Bardiya</td>
<td>167</td>
<td>17.47%</td>
<td>29.17</td>
</tr>
<tr>
<td>Dang</td>
<td>107</td>
<td>18.70%</td>
<td>20.00</td>
</tr>
<tr>
<td>East Rukum</td>
<td>124</td>
<td>19.047%</td>
<td>23.62</td>
</tr>
</tbody>
</table>

In the study area, average monthly reduction in Net Income of firms after the pandemic in Banke is Rs. 39070. Similarly, In Bardiya, Dang and East Rukum district, average monthly reduction in net income is Rs. 29,170, Rs. 20,000 and Rs.23620 respectively.

**Operation of the Business**

The business may be operated with the own land of an owner or on rent or lease. Similarly, businesses running on rent or lease are able to pay or not is given in the table.

**Table 8**  
*Operation of Business and Ability to Pay Rent*

<table>
<thead>
<tr>
<th>Districts</th>
<th>Own Land</th>
<th>Rent</th>
<th>Able to Pay Rent</th>
<th>Not able to pay rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banke</td>
<td>34</td>
<td>23</td>
<td>20</td>
<td>3</td>
</tr>
<tr>
<td>Bardiya</td>
<td>46</td>
<td>29</td>
<td>24</td>
<td>5</td>
</tr>
</tbody>
</table>
48% of the businesses are operated in their own land and remaining 52% are in rent or lease. Among the 139 firms 123 firms are able to pay rent and 16 are not which is 11.51% of total rental firms.

**Operation of Family Members or Hiring Employees’ Business**

**Table 9**  
*Operation of Business by Family members or Employees*

<table>
<thead>
<tr>
<th>Districts</th>
<th>Family members</th>
<th>Hiring employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banke</td>
<td>37</td>
<td>20</td>
</tr>
<tr>
<td>Bardiya</td>
<td>61</td>
<td>14</td>
</tr>
<tr>
<td>Dang</td>
<td>47</td>
<td>28</td>
</tr>
<tr>
<td>East Rukum</td>
<td>46</td>
<td>14</td>
</tr>
<tr>
<td>Total</td>
<td>191</td>
<td>76</td>
</tr>
</tbody>
</table>

Study reveals that number of business operated by family members and by hiring employees in the study area. Out of 267 business, 191 firms were operated only by the family members whereas, 76 firms were operated by hiring employees.

**Continuation of the Business**

Many businesses get collapsed because of Covid while some were able to survive because of their nature of business and their strength in the market.

**Table 10**  
*Continuation of the Business*

<table>
<thead>
<tr>
<th>Districts</th>
<th>Continuation of business</th>
<th>Discontinuation of business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banke</td>
<td>53</td>
<td>4</td>
</tr>
<tr>
<td>Bardiya</td>
<td>71</td>
<td>4</td>
</tr>
</tbody>
</table>
It reveals that out of 267 respondents 256 want to continue their business and 11 respondents want to discontinue their business due to pandemic and others reasons.

**Discussion**

- 41% of tourist arrives for natural beauty, 36% for cultural reason, 20% for religious purpose and rest for the other purpose. So, we can say that mostly tourist arrive in tourism sector for religious, cultural and natural beauty.
- 46% of tourist come from own province (Lumbini Province), 27% from other province, 18% from India and 9% from other countries. Internal tourist mainly visits in the tourism place. India is also one of the major sources of tourism for our country.
- Among 267 respondent number, the number of tourist arrival before pandemic covering more than 20 tourist is 53.18%, from 16-20 tourist is 21.72%, 11-15 group is 11.23%, 6-10 group is 12.35% and 1-5 group is 1.5%.
- The number of tourist arrival after pandemic is 15.73% from above 20 tourist group, 8.62% from 16-20 group, 1.61% from 11-15 group, 32.2% from 6-10 group and 31.84% from 1-5 group. In this way we can see the devasting decrement in the arrival of tourist. The daily tourist arrival was decreased almost 3-4 times.
- Monthly Turnover decreases by 56.23% from Banke district, 61.85% from Bardiya district, 62.59% from Dang district and 59.33% from East Rukum. On average about 60% of decrement on the monthly turnover can be seen from the Covid. The average monthly turnover of banke was 393000 Rs which was decreased to 172000 Rs, Bardiya turnover was decreased from 270000 Rs to 103000 Rs, Dang was decreased from 286000 Rs to 107000 Rs and The East Rukum was decreased from 209000 Rs to 85000 Rs.
- 132 firm were taken a loan out of 267 firms. 35, 50, 30 and 17 firm were taken loan from Banke, Bardiya, Dang and East Rukum. 85.71% from Banke were able to pay loan, 93.33% from Dang, and 82.35% from East Rukum. On average 82.57% firm were able to pay the Bank loan. They had paid their Bank loan because of different fines, charges and penalties which Bank and financial institution charge on paying late.
- 34 firm out of 267 firm were able to get financial assistance on which Banke district covers 6 firm, Bardiya covers 11 firms, Dang covers 3 firms and East Rukum covers 14 firms. On average 13% firm gets financial assistance from any means. Most of the firm do not receive any type of financial assistance from government, NGOs and INGOs.
- Firm operated by family member is 191 and by hiring the employees is 76. We can say that mostly firm are being family based and employee hiring firms had faced most of
the problem. They cut off the employees in the Covid. Among the business operated by family members 27.10% of family members in Banke lost their job in their own business. Similarly 12.12% in Bardiya, 20.32% in Dang and 20.8% in East Rukum. Among employee hiring firms 49.45% employees were reduced in banke district, 64.18% in Bardiya, 28.42% in Dang and 11.11% in East Rukum.

❖ Impact of Covid is very high on 82 firms, High in 157 firm, low in 27 firm and very low in 1 firm. Thus, we can say that impact is very high in almost the entire firm. Only 10% of the firm has low and very low impact of Covid.

❖ Among 267 firm 256 firm continued their business and 11 firm were dissolve. Thus we can say the Covid had made trouble to the entire firm. The firm who were financially weak where collapse because of the Covid.

Conclusion

Tourism entrepreneurs in Nepal have high expectations from the government and policymakers to support the industry during the pandemic. However, the lack of clear policies, health security measures, and compensation has left existing tourist sectors disappointed, with some even forced to close down. To recover quickly after the pandemic, the Nepalese government should formulate plans for the tourism sector. Without adequate support, entrepreneurs may not be able to sustain their businesses. Managing stimulus plans to promote tourism before foreign visitors return to normal levels is crucial. Implementing measures such as suspending interest and loan payments for small entrepreneurs in the tourist industry for a year and waiving value-added tax would boost the local economy. Establishing a special task force to create an economic response package is necessary to help Nepalese businesses and jobs survive the global impact of Covid-19.

To enhance tourism infrastructure, improvements in road conditions and transportation mediums are necessary to make travel to various sites comfortable and safe. The coordination and cooperation of governments at all levels are essential for developing tourism effectively. To attract more tourists, there should be an increase in entertainment sources and activities of interest, which would lead to higher average tourist expenditure and longer stays. Moreover, improving information availability about tourist destinations and increasing promotional activities, such as setting up tourist help desks, would aid tourists in navigating the region.

The scarcity of quality hotels calls for the government's initiative to establish guest houses at various sites, providing affordable and high-quality accommodations for tourists. The preservation and maintenance of natural and cultural heritage sites are crucial to maintain their historical essence. Establishing training and academic institutions for hospitality and tourism education would ensure a steady supply of trained human resources for the industry.

To support the restaurant industry, which has been heavily impacted by the pandemic, urgent attention and assistance are needed to prevent workers from sliding into poverty. The low turnover of firms has led to employee cuts, and small businesses struggle to cover their general expenditures. The province also lacks proper coordination and supporting activities for promotional efforts to attract tourists. Due to the significant reduction in income, many firms are unable to cover their bank loans and interests on time. Home stays and small cottage restaurants
are particularly affected, necessitating promotional and financial support from the government to overcome this situation. Overall, effective and timely measures from the government are essential to revive the tourism sector in Nepal and help it recover from the pandemic's devastating impact.

References


