



Tiger MOUNTAIN

POKHARA LODGE

RESPONSIBLE TOURISM VERIFICATION REPORT 2010

SUMMARY

KEY ACHIEVEMENTS OVER FINANCIAL YEARS 2008/09 & 2009/10

- Reduction in overall carbon footprint per bed night of 66%
- Reduction in water leaks through installation of breather pipes to reduce system pressure
- Reduction of plastic bags by 49%
- Reduction of batteries by 52% per bed night over three years
- Increase in staff philanthropy in terms of time and donations of an average of 31% and 35% respectively
- Increased company charitable donations of 38%
- Increased guest funding of Community Support Partnership by 29%
- Development of the Sustainable Action Group as a key staff forum

KEY WEAKNESSES / AREAS FOR FUTURE IMPROVEMENT

- Failure to install water and electricity meters on time for this verification period
- Failure to achieve hoped for reductions in diesel usage (generator running time)
- Failure to achieve an effective measurement system for waste

Tiger Mountain Pokhara Lodge has been working with issues of responsible conservation tourism since its inception in 1998, developing a *modus operandi* suited to the middle hills of Nepal. This policy builds on the common ethos of the Tiger Mountain Nepal family of companies, initiated in the lowland Terai by Tiger Tops and in the high mountain regions by Mountain Travel Nepal. Tiger Mountain Nepal has been practising responsible / sustainable tourism since long before the concept became a modern buzzword. As part of our development in sustainable tourism, we perceived the need to define and quantify our efforts. We investigated various certification and award schemes but none seemed to address the specific issues we face. Through the help of Janice Lee, at Saga Charitable Trust, we were introduced to a graduate student from Leeds Metropolitan University, International Centre for Responsible Tourism faculty, who subsequently visited and helped us update our processes and documentation, and introduced us to the Responsible Tourism Verification scheme – one that seemed eminently appropriate to our needs.

This is our first report for verification and thus it details some quantifiable achievements and much “work in progress.” We have made a long-term commitment to the verification process and hope to show definitive results in increased achievements and enhanced performance against our Responsible Tourism Policy over the coming years. Starting from a strong baseline sets a tough standard, but we are determined to improve on our first-year results.

THE REPORT COVERS OUR KEY AREAS OF POLICY

1. Environment
2. Social & Community Engagement
3. Corporate Governance & Employee Support
4. Wider Stakeholder Groups

With our initial efforts to define our Responsible Tourism Policy and quantify our measures of verification in 2008/09, we found that our recording systems were insufficient. This provoked an over-reaction leading to unsustainable burdensome reporting processes. Installing meters to ease the reporting burden has taken a long time due to delays in supply, wrong items supplied, etc. In 2010/11, we aim to balance accuracy with efficiency in our reporting. This will help to improve future Responsible Tourism Verification Reports.

This report details Tiger Mountain’s historic background and gives recordings for our financial years (mid-July), which also coincide with our annual tourist season (from September through to June).

ENVIRONMENT – LANDSCAPE & ARCHITECTURE

The lodge was built in 1997/98 and has not been structurally modified since then. A key element of the design brief was to ensure that the architecture blended with the local vernacular¹, used local materials, and remained earthquake safe.

A swimming pool was added in 1999/2000. Blending into natural contours, its dramatic hilltop position is effectively invisible from all but aircraft overhead! Changing rooms made of sustainable resources (bamboo and thatch grass) and a “jungle toilet” were added. The toilet is a soak-away system situated so that there is no risk of polluting watercourses².

The land was used for seasonal agriculture by the previous owners, who grew grasses for roofing and fodder purposes. After construction by teams of labourers using hand tools to minimise land disturbance, the traditional “khar bari” or thatch grass meadow was replanted and left to regenerate³. Woodland was encouraged and protection increased foliage and enhanced biodiversity. Our bird list has increased with an average of three to five new species sighted annually⁴. Likewise, a butterfly monitoring project led by Colin Smith, Nepal’s leading butterfly expert, has seen an average annual increase in species sighted of



18 per year⁵. These results endorse our policy of natural landscaping and validate our increase in local biodiversity.

We only use natural products for building maintenance except white

emulsion paint. Otherwise natural red-earth mud-plaster is used on five bungalows and the powerhouse. Local women are employed to plaster the houses in the traditional local manner.

VERIFICATION NOTES

1. Visual inspection of the lodge and local area confirms that the lodge was in keeping with the style of Kaski district.
2. Visual inspection of the “jungle toilet” confirms that there is no visible contamination of water sources.
3. Visual inspection of the lodge’s grounds confirms that they are in keeping with the local landscape.
4. Waterfowl Census and Bird Checklists can be downloaded from <http://www.tigermountain.com/pokhara> and click on ‘Download Information’.
5. Butterfly data can be downloaded from <http://www.tigermountain.com/pokhara> and click on ‘Download Information’.

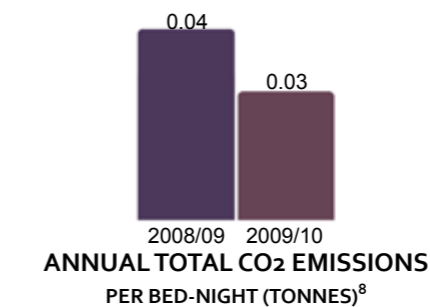
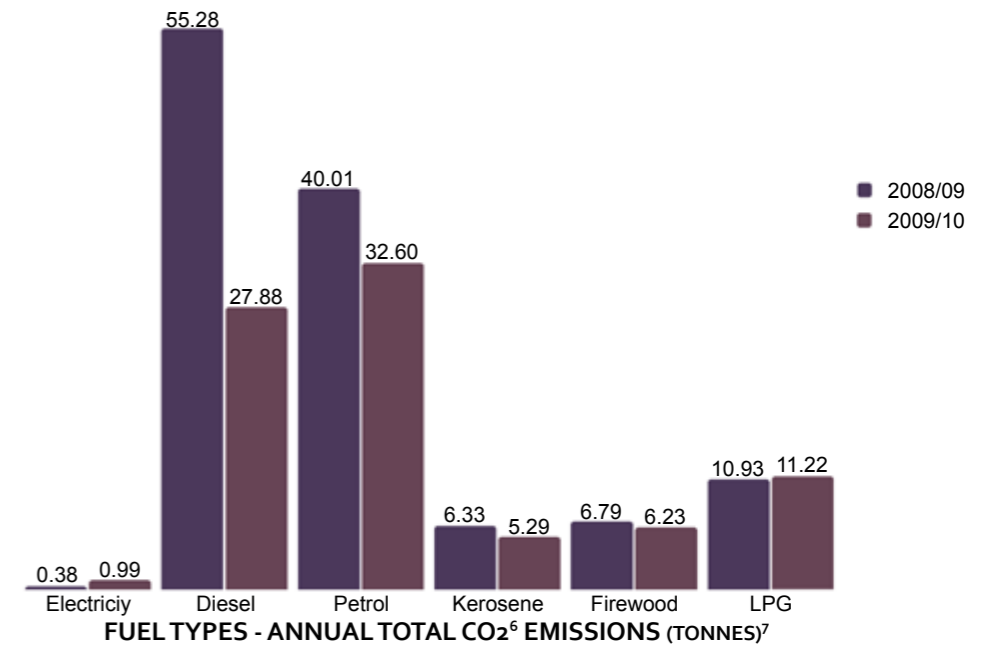


ENVIRONMENT – ENERGY & WATER MANAGEMENT

Until 2008, the lodge relied on two diesel generators (1 x 100 kVA and 1 x 30 kVA) for significant amounts of power and received electricity from the Nepal Electricity Authority (NEA) for lighting and light load applications. This generator reliance was unacceptable in terms of fossil fuel consumption, carbon footprint, noise, and particulate pollution. On the other hand, NEA electricity is largely generated from run-of-river hydro-power projects and is reasonably environmentally benign by comparison.

In late 2008, we addressed the generator issue by obtaining a three-phase 60A line from NEA. Theoretically, this should have enabled a significant reduction in generator use. However, supply issues with NEA adversely offset the hoped-for reduction in generator run-time. In 2009, power distribution capacity diminished due to the Koshi Flood that resulted in 18 hours a day load shedding. To mitigate the effects of these circumstances we carefully manage generator use, minimising daytime usage to essential needs only and preventing night use after 10pm.

In 2007/08, we began purchasing CFL bulbs but found this initiative ineffective due to poor quality bulbs that frequently broke. We re-introduced it in 2009/10 when better quality bulbs became available.



WATER CONSUMPTION

Previously we did not record water supplies, so no understanding of consumption was available. Interim recording measures were tried but proved cumbersome or ineffective. We have now installed meters, which will enable effective monitoring in the future.

VERIFICATION NOTES

6. All CO₂ calculations were made using the Resurgence Carbon Dioxide Calculator: <http://www.resurgence.org/education/carbon-calculator.html>.
7. All CO₂ outputs were cross-checked by spot-checking either relevant utility bills, store logs or the company accounts.
8. The number of bed nights was cross-checked using the sales analysis database.



ENVIRONMENT – ENERGY & WATER MANAGEMENT

ACTIONS

ELECTRICITY METERS

In July 2010, we installed a sub-meter to monitor electricity generated. The electricity is logged monthly and cross-referenced with the running hour logs on each generator to monitor overall usage.

CFL BULB CONVERSION

Incandescent bulbs are replaced with CFLs once they blow.

AREA	% CONVERTED	SAVING	% SAVING
Bedrooms	86%	5586 W	60%
Main Lodge	53%	1428 W	41%

KEROSENE REDUCTION

In 2009, we installed a Euro-guard three-stage purification process. This reduced the use of kerosene for boiling water by 410 litres annually⁹.

TRANSPORT MANAGEMENT

We minimise fuel usage by vehicle pooling and efficient operations management; staff use public transport where possible. Our vehicles, mainly elderly petrol powered landrovers, are not particularly fuel-efficient. However, until the government properly maintains the roads, we have to deploy these vehicles, as vehicles that are more modern cannot cope with the road access. The financial posi-

tion of the company, resulting from the years of Maoist Insurgency, also precludes capital purchases of new vehicles. More emphasis will be given to fuel economy and efficiency in 2010/11. The number of litres of fuel per bed night has remained steady at an average of five litres¹⁰. This figure includes guest transport, administrative transport, shopping for lodge supplies, a community ambulance service and all servicing and repair costs. It must be noted that these figures are only an approximate guide.

WATER CONSUMPTION

From mid-October 2010, we have been monitoring water consumption through the installation of meters at the main well source and the mid-station. We have also installed new flush units with short and full flush or push-to-flush (hold for sustained flush) options to reduce water flow in the toilets¹¹. To reduce leaks in the water supply system we added breather pipes at the main tank in 2009, thus reducing system pressure.

A full water consumption logging system is now in place. However, retro fitted aerators could not be found in Nepal for those taps without. Like-

wise, low-flow showerheads were not found.

We emphasise water conservation to guests¹². In the off-season rainwater is harvested from the main lodge roof for the duration of the monsoon.

SEWERAGE & GREY WATER

Sewage drains into soak-away pits located away from water sources. Grey water goes into separate soak-away systems (also away from water bodies), or into the sewage cesspits¹³.



VERIFICATION NOTES

- The annual reduction of kerosene was measured and verified using the store logs.
- The annual consumption of petrol was measured and verified using the company accounts.
- Flow rates for a random selection of toilets were checked and met the recommended flow of six litres.
- Water conservation signs were noted in all rooms spot-checked and guests questioned were aware of the water saving procedures at the lodge.
- The handling of the black and grey water was difficult to verify, because the pits are underground. The lodge is situated on top of a hill and is not located near any running water.

ENVIRONMENT – WASTE MANAGEMENT

ACTIONS

able plastics. From autumn 2010, all non-recyclable plastic is stored on site pending a solution.

Some plastic is taken by Kawarris and sold to re-cycling plants in, for example, Chitwan where the waste plastic is converted into HDP water pipe.

PLASTIC REDUCTION

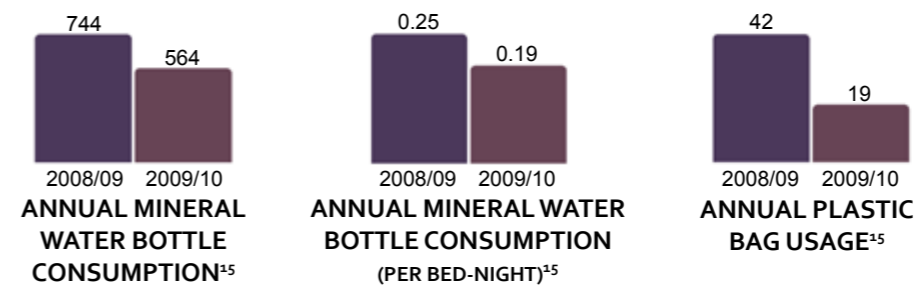
We achieved a reduction in plastic waste by converting to plastic vegetable crates and cloth bags – plastic bags are now only used for fresh meat. Likewise, we do not give plastic bags with picnic lunch boxes – those guests departing the lodge are given paper lunch boxes bound with traditional string – *sutari* – made from sustainable vegetable fibres. Returning guests taking a picnic lunch are given reusable plastic “Tupperware” boxes. This has reduced our plastic bag purchases by 55%¹⁵. Recently, lightweight picnic boxes were ordered in error, causing a short-term increase in plastic bag use. Hereafter we will revert to the heavier boxes that do not require a plastic bag.

All our waste is handled under the Three R system: reduce, reuse, and recycle. Biodegradable waste is either composted or taken by neighbours as livestock feed. Garden waste is composted or burnt and the potash added back to the compost. Glass and scrap metal are stored and periodically taken by Kawarris (local recycling agents). The income from their sale is distributed amongst staff along with guest tips. Broken glass is currently stored on site pending a sound disposal solution. Plastics pose a complex problem because Kawarris only take certain plastics, mainly polythene and PET bottles, for recycling.

The major waste management issue at the lodge has been effective waste separation – the kitchens are most organised at using separate bins for plastics, glass, metal, paper, food swill, and compost. However, all department staff seem a little less enthusiastic when separating waste into the main bins– despite the provision of clearly labelled oil drums¹⁴.

EARNINGS FROM RECYCLING

Staff earned 5,900 NPR from recycling payment in financial year



2009/10 (2.05 NPR per bed night) and 4,980 NPR in financial year 2008/09 (1.68 NPR per bed night). The rise in earnings was reflected in an increase in scrap metal sales last financial year.

PLASTIC DISPOSAL

We have had meetings with the local municipal authorities seeking assistance for sound disposal of non-recy-

PAPER

Paper is re-used in the office and then buried. We emphasise soft-copy and scanning to minimize paper documents. Use of wood pulp paper has been reduced by our conversion to sustainably sourced, hand-made Nepali paper. We now only use wood pulp paper for essential printing that cannot be done on Nepali paper – the largest office consumption, printing guest bills, was entirely converted to Nepali paper in 2009 (with occasional exceptions when Nepali paper supplies were not available – now mitigated by our increased stock of Nepali paper). In 2009/10, the total new paper used was 4100 sheets of which 63% was Birat Nepali lokta paper¹⁶.

We converted our room information to printed booklets (of sustainable Nepali lokta paper) and uploaded the data to our website in 2009/10, saving an estimated 250 sheets of quality A4 paper annually.



VERIFICATION NOTES

- Inspection of the oil drums showed that the waste is being separated into the correct barrels. There is no weighing or estimation process in place therefore there is no way of verifying any waste reduction.
- Plastic bags, mineral water bottle consumption and paper usage were measured and verified using the store logs. Plastic waste is not weighed so no further verification was not possible.
- Paper consumption was verified using the company accounts.

ENVIRONMENT – WASTE MANAGEMENT

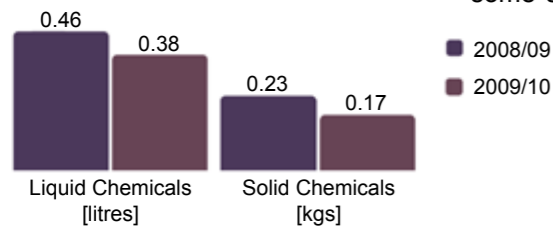
SWIMMING POOL CHEMICALS

We keep swimming pool chemical usage to the minimum consistent with hygiene and guest safety. We minimised free chlorine use by maintaining the water's correct pH levels. A solar electrolysis unit, which creates copper ions, was installed in September 2010, further reducing chlorine usage over the course of the current financial year.

HOUSEKEEPING CHEMICALS

We are constantly looking for ways in which to reduce our chemical dependence but this process is made more difficult by the lack of environmentally friendly alternatives available in Nepal.

A single new chemical was added for hygiene purposes. Lizol (Lysol) is a disinfectant based on Benzalconium chloride, which reduces the usage of hypochlorite bleaches in the kitchens and toilets. The staff use dettol soap in the kitchen for hand washing.



ANNUAL CHEMICAL USAGE (PER BED-NIGHT)²⁷

FUTURE PLANS

Continue investigating recycling factories for final waste paper with the goal of creating recycled bags for shop purchases, picnic lunch boxes, etc.

Rubbish separation will be addressed by the Sustainable Action Group.

Initiate conversion to simpler sodium based cleaning agents – sodium carbonate, bicarbonate, and percarbonate to offset essential use of harsher agents. The delay has been caused by difficulty in sourcing supplies in Nepal.

Replace the night guards' torches with wind up / re-chargeable LED alternatives.

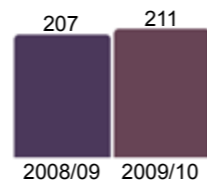
Improve communication with Kawarris to facilitate the recycling processes.



LED WIND-UP TORCHES

Our replacement of battery-operated torches with LED wind-up torches was completed in 2009/10 in almost all guest rooms; two rooms temporarily retain battery torches due to loss / breakage of wind-up torches. This has reduced battery consumption by almost 100% in rooms and by some 52% overall per bed night¹⁸.

Remaining battery consumption is by some staff for personal torches and by the night guards. Many staff have voluntarily converted to rechargeable LED torches – thus reducing the overall use of batteries even further.



ANNUAL BATTERY USAGE¹⁸

VERIFICATION NOTES

17. Chemical consumption was verified using a random selection of chemicals and cross-checked against the store logs.

18. Battery consumption has been reduced by 50% in total between 2006/07 and 2009/10. This was verified using the store logs.



SOCIAL & COMMUNITY ENGAGEMENT

This section considers how we engage locally as a responsible partner in community development. Kandani Danda, where Tiger Mountain Pokhara Lodge is situated, forms part of Lekhnath Municipality but retains its rural, village atmosphere.

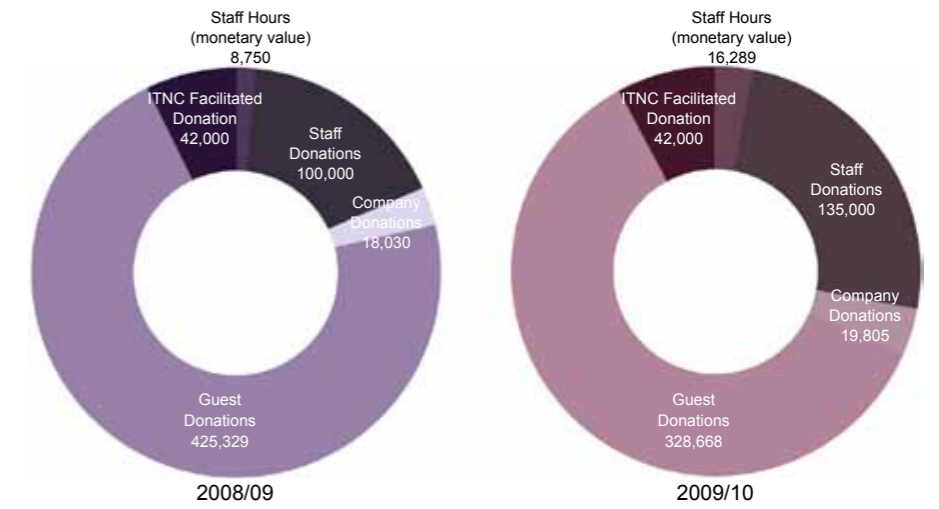
The village is relatively wealthy; it has strong links to local government service, and the military and police services, while retaining its agricultural underpinning. However, this apparent affluence hides disparities.

The financial difficulties of the company, because of the decade long Maoist insurgency, have prevented more significant donations being made and rendered any policy on corporate giving largely irrelevant.

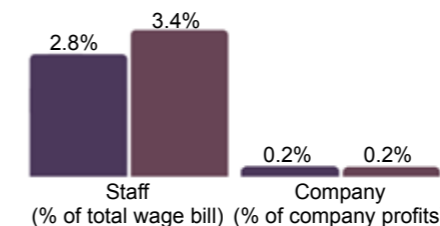
Staff volunteer hours and cash donations are recorded and logged. This system monetises time contributions of staff by assigning pro-rated salary values to volunteer hours as part of the company's and employees' overall contributions. For both financial years 2008/09 and 2009/10, records were only partially maintained so the actual level of donation is slightly higher than shown.

Tiger Mountain Group has an affiliate UK Registered Charity, The International Trust for Nature Conservation (ITNC), which supports the local community forest user's group. Tiger Mountain Pokhara Lodge aids ITNC in project selection, supervision, administrative overhead, and logistics so that 100% of ITNC donations go directly to the project¹⁹.

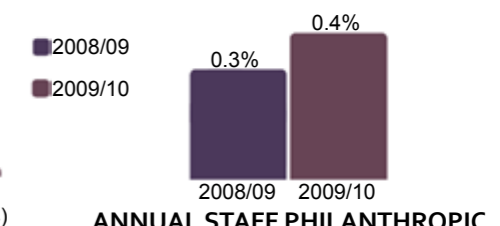
The company's inability to provide the community with desired levels of financial support has been offset by our role as a facilitator in matching donor interest with local project needs. This is the heart of our Community Support Partnership concept. The community identifies and prioritises necessary actions for local development and then we engage with



ANNUAL BREAKDOWN OF TOTAL PHILANTHROPIC ACTIVITY (NPR)²¹



ANNUAL CASH DONATIONS²¹



ANNUAL STAFF PHILANTHROPIC HOURS (% OF WORKING YEAR)²¹

those projects and assist in providing funding directly or seeking third-party support. Between charitable trusts, guests' private philanthropy, staff do-

nations and corporate donations we have raised approximately 50,000 USD for the community over the past 10 years²⁰.

VERIFICATION NOTES

19. ITNC funds are handled directly by Tiger Mountain office in Kathmandu. The lodge only facilitates the relationship between the projects and the charity. There was no evidence of the lodge receiving any financial gain.

20. This is an estimation made by Marcus Cotton, Managing Director of the lodge and is not fully verifiable. However, data from August 2004 was verified using the charity accounts and showed total donations of 28,530 GBP and 14,715 USD respectively.

21. All values were verified using the company accounts, philanthropy database and the charity funds statement and cross-referenced with the charity bank statements.



ACTIONS

RIGHTS OF WAY & ACCESS

We encourage local visitors who are shown round the property by staff. A limited explanation of our environmental approach is given.

There are no formal / legal rights of way over the property but our neighbours are welcome to use the paths through the grounds – for example, several employees' children cut through the property to and from work as well as parking their motorcycles in the lodge car park.

Villagers collecting fodder and firewood from the community forest are also welcome to use the property's paths²².

WATER SUPPLY BACK UP

We supply water to public taps that were formerly the community's main source of water²³.

Since the initiation of a mains water supply, our taps have become a back up. Several neighbours are provided water from the lodges supply for their private standpipes.

RESOURCE USUFRUCT

In return for organic manure, our neighbours are permitted to cut grass for their cattle and goats. Thinnings from trees, bamboo, etc. are made available when we are landscaping.

FACILITATING COMMUNITY DEVELOPMENT

Through our Community Support Partnership, the lodge has worked closely with Amar Jyoti School over the past five years²⁴, facilitating financial support of over 25,000 USD²⁵.

Guest donations fund capital investments in the school's infrastructure including classroom furniture and a second storey classroom construction.

We supported their collaboration with another charity – Room to Read – in the acquisition of a computer laboratory – a rare facility in rural government schools.

In collaboration with People and Places, the school's plan to convert to English medium teaching is being assisted by voluntary teacher trainers from UK. We introduced the school to People and Places and provide logistic support, office support, administrative backup without charge, as well as volunteer accommodation and meals at cost. As the interface between the volunteers, school, and agency, we can ensure effective three-way communication. This forms the cornerstone of our community support approach.

In Shiva Shakti Primary School, we facilitate guest support for a teacher's wages²⁶.



VERIFICATION NOTES

22. During time spent at the lodge, it was clear many people from the surrounding neighbourhood had free access to the lodge and grounds. On interviewing the guests, one mentioned watching a local woman collecting firewood from outside her room.
23. One of two water supply points is not currently available for immediate use as the tap has been removed by local people. Children have also blocked the supply by pushing rubbish down the pipe. However, in an emergency, the system can be made operational at about two hour's notice. Some locals are using the staff kitchen to collect free water unofficially. It should be noted that these two taps are now only a backup source for the main community supply paid scheme.
24. The staff member responsible for this was questioned and estimated he spends between one and four hours at the school, three times each month.
25. The actual financial support given to Amar Jyoti School was 18,700 GBP (rounded). This was verified using the charity funds statement and cross-referenced with the charity bank statements. The lodge has two dedicated bank accounts (USD and GBP) to handle all facilitated donations.
26. The teacher's salary was verified using the charity funds statement.

AMBULANCE SERVICE

Our vehicles can be made available to ferry sick villagers to hospital – this generally happens four to five times a year. A nominal fee of 100 NPR is charged but those who are unable to pay are waived the fee – two or three cases annually²⁷.

INDIVIDUAL SUPPORT

We facilitate the personal support of individuals in need by guests and senior staff. Examples are the educational sponsorship of eight schoolchildren and medical support for a diabetic boy, Bishal Rajbhat, who cannot afford regular insulin injections²⁸.

In a major project for 2008, we supervised the rebuilding of a house for a single mother and her two children, themselves already sponsored by guests²⁹. Senior staff co-funded the reconstruction of the five-room house, kitchen, and shed for a single mother and her two children that were already sponsored by guests.

COMMUNITY GROUPS

The village has several social groups: Ama Samuha (Mothers' Groups) and Youth Clubs. We have provided small amounts of financial assistance to the Machhapuchhare Tole Development Committee, the Srijana



Women's Conservation Group, both Aama Samuha groups, and several youth clubs in support of their estab-



lishment, building construction, programmes, and activities. Donations are generally in the range of 5,000 NPR to 15,000 NPR and are not tax deductible³⁰.

Similar donations have been made to community projects such as road construction and repair. These are sometimes made tax exempt on an ad hoc basis by the local Tax Office.

VERIFICATION NOTES

27. The amount of paid ambulance trips was verified using the company accounts. Free trips are not logged therefore are non-verifiable.
28. The number of schoolchildren supported was verified using the charity funds statement. The diabetic boy is supported personally by the Managing Director, Marcus Cotton.
29. The building of the house was verified by witnessing transactions for building materials in the charity account ledger. Photographic evidence is also included in this report.
30. Community financial support was verified using the log of all philanthropic activity and cross-checked with the company accounts.



SOCIAL & COMMUNITY ENGAGEMENT

COMMUNITY FORESTRY USER GROUP (CFUG)

We support the CFUG's environmental protection work by facilitating funding for a forest ranger from ITNC³¹.

COMMUNITY FINANCIAL / COMMERCIAL SUPPORT

There are no local craft or product development groups within the community. Therefore, when guests request handicraft shopping opportunities we take them to the Tibetan Refugee Camp where Tibetan exiles have a range of craft products on sale.

We do not "bend" sightseeing excursions to shopping – and no commission is claimed by staff.

STAFF DONATIONS

In addition to support for house reconstruction noted above, staff made donations to the Machhapuchhare Tole Bikas – a Mothers' Group – to national and local branches of Bird Conservation Nepal and to a project for a local radio programme in Far-West Nepal³².



FUTURE PLANS

Shareholders discussed structured corporate giving at the company's AGM held in 2010. It was resolved to re-address this issue and relate giving to our declaration of dividends.

Improve recording of staff volunteer time and donations to charitable causes.

VERIFICATION NOTES

31. CFUG receipts were shown to verify the forest ranger's salary.
32. Staff donations were verified through informal conversation with various staff members and the inspection of logged records of all philanthropic activity.



CORPORATE GOVERNANCE & EMPLOYEE SUPPORT

In this section, we review our policies of governance, employment facilities, and wider information, education, and awareness of responsible conservation tourism among our stakeholder groups – employees, guests, and the community in a broad sense.

ACTIONS

CORPORATE GOVERNANCE

A review and stricter management of the company's corporate governance started in early 2002 with incremental policy development and implementation on an ongoing basis.

An absolute ban on inappropriate financial transactions was made in late 2001 and has been rigorously upheld to date³³. No inappropriate entertainment of government or other authorities has occurred – although a government employee did defraud the company of approximately 4000 NPR worth of alcohol in 2009, a sum that had to be written off. This unacceptable behaviour only stiffened our resolve to fight corruption and now government officials of any kind are not welcome on the premises without prior permission, unless they are on official duty.

In 2008 our company rules were updated and finalised – these are in accordance with the requirements of Labour Act 2048 BS and other prevailing laws / regulations and take into account the significant socio-cultural changes in the socio-political context of Nepal resulting from the tumultuous events of recent years³⁴. These rules cover the broad areas of corporate administration, governance, employee welfare, community partnership, and environmental responsibility. They have been submitted to the relevant government office.

Excerpts from the rules are given below to define the expectations envisaged by their institution:



"The company has established policies of transparency, integrity, ethical standards and corporate social responsibility to operate with the objective of providing environmentally responsible and sustainable conservation tourism."

"These Company Rules provide an over-view of the terms of service and broad company procedures adopted by the organisation. No set of rules can cover every eventuality and be abreast of every development and thus there will always remain the need to use the rules as a guiding base in their application to novel or unforeseen situations."

"The Rules should be read in conjunction with the company Administration, Operations, Store and Purchasing, Accounting, Guest Re-

lations and other manuals as well as other policy documents that support these rules and give further clarification and endorsement."

"It is the company's sincere objective that these rules should help provide a supportive and inclusive working environment for all those associated with the company."

FISCAL RESPONSIBILITY

Fiscal responsibility is a defining arbiter of corporate governance. The company has a defined policy of open accounting and thus paying tax in a transparent manner. All our accounts with the local tax office – for corporate tax, VAT, Tax Deducted at Source (TDS), and for employees' personal income tax are up to date. Similarly, all local taxes, dues, duties, and levies are up to date³⁵.

VERIFICATION NOTES

33. The non-bribery policy was verified through an informal conversation with the accountant and key members of staff.
34. Copies of the company rules in English and Nepali, and the receipt issued by the Labour Office were produced as verification. Employees can access the rules either by requesting a hard copy from the Administration Officer, or reading them on the office computer.
35. Audit reports and proof of the tax clearance certificate from the IRO for 2008/09 were shown. This is the latest and most up-to-date certificate possible.

TERMS & CONDITIONS

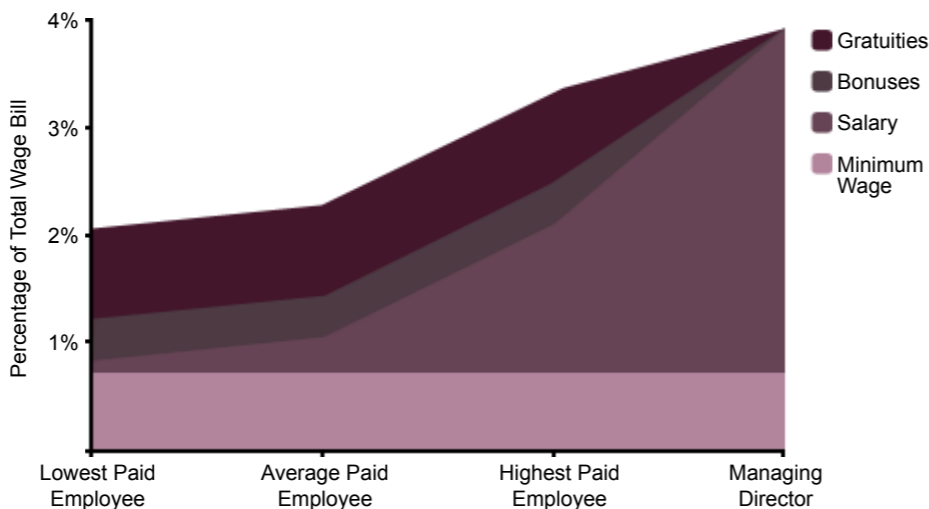
Employment terms and conditions of service are defined in the Company Rules and all senior staff positions have specific Job Descriptions³⁶. All employees are "Regular Staff," as defined in the company rules, are salaried, and are provided with all facilities as defined by the company rules.

Remuneration is in excess of the statutory requirements and is paid monthly no later than the fifth day of the subsequent Nepali month (one instance; all other months were paid between the 30th of relevant month and the third of the subsequent month)³⁷. Payment has been made directly to employee bank accounts since 2009; service charges and medical refund payments are generally made on a cash basis.

Medical benefits are significant and apply to all employees and their families (including parents of unmarried employees) equally, irrespective of rank or service period. Full cover for all medical fees, medicines, operations, etc. is provided. In financial year 2008/09, total payment was 499,000 NPR (rounded) and in 2009/10 551,000 NPR (rounded)³⁸. Emergency and routine salary advances are made quickly on application to ensure employees have sufficient funds for unexpected situations.

GRATUITIES

Staff gratuities from guests are managed directly by the staff in a transparent and ethical manner³⁹. Gratuities are distributed and the Statutory Service charge is paid monthly to all employees.



ANNUAL SALARY CHART 2009/10 DEMONSTRATING A FAIR & BALANCED PAY RANGE⁴⁰

VERIFICATION NOTES

- 36. Job descriptions were seen for the five senior staff positions. Three of the five senior staff were asked if their job descriptions were accurate - all agreed but one was unsure.
- 37. The company accounts were used to verify all employees were paid on time. A random selection of staff from varying grades and departments also verified this verbally.
- 38. Medical expenses were verified using the medical expenses database and cross-checked using the company accounts. It should be noted that the company has a medical limit; however, in both years this limit was exceeded in individual cases with all medical expenses still being covered.
- 39. Tips are handled solely by the staff and are divided equally between all employees. The calculations are available for all on the staff notice board and are recorded by the company for archive purposes.
- 40. The company accounts were used to verify employees salaries, bonuses and gratuities. Minimum wage was verified using Nepal's Labour Act 2048, clause 21 - sub clause 5.

EMPLOYMENT INITIATIVES

Our policy of encouraging female candidates for employment resulted in two female recruits in 2008 - this represents 33% of all employees hired in the last five years. All six positions posted since 2005 have been filled by local people from the adjoining community.

We do not believe in quotas based on gender, but recruit employees based on merit alone. To that end, our recruitment process (last applied in 2009) includes local staff / junior staff / senior staff / an independent assessor and this is reflected in our interview panels.

All staff come from Nepal, except one owner/manager, and 41% of staff come from the local community (2009/10 up from 34% in 2007/08). The percentage of staff from Chitwan are an apparent anomaly. At the opening of the lodge, there were few local candidates interested in performing the tasks associated with a tourist lodge. While in Chitwan (Meghauli VDC predominantly) many staff had worked at or had relatives

working at our sister company, Tiger Tops, thus providing us with a pool of knowledgeable candidates. Policy was changed to prioritise employment from the local community and all appointments made since 2001 have been local.

In 2009, an updated score sheet for interviews was developed⁴¹ that evaluates candidates based on both specific job-related criteria and "intangible" values such as local / external, socio-economic status, caste / ethnic status, gender, etc. We believe this will maximise merit-based recruitment while allowing for consideration of caste / ethnicity, gender and similar factors.

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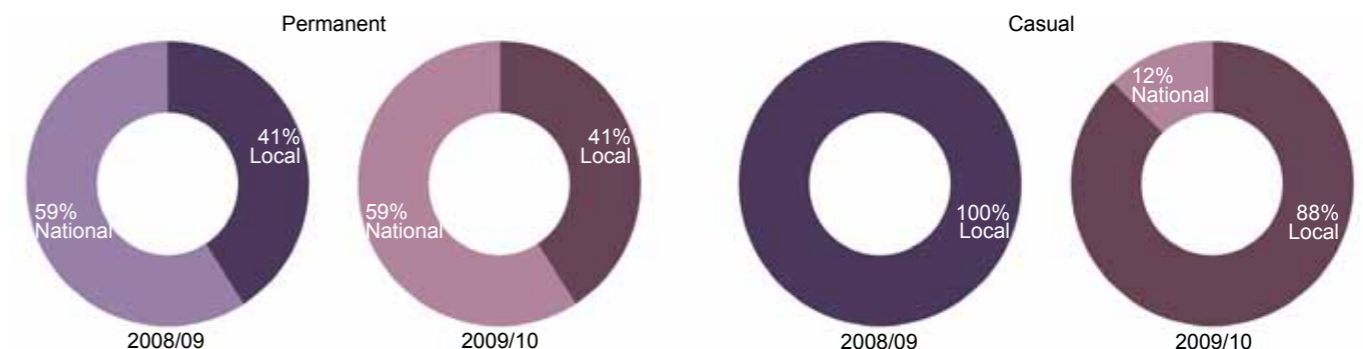
It should be noted that over 80% of all employees have worked with the company since its inception and that employee turnover is remarkably low. This provides further indirect evidence that our employee terms and working conditions are fair and equitable. The average length of service for 2008/09 and 2009/10 was stable at 9.3 and 10.3 years respectively⁴².

VERIFICATION NOTES

- 41. The updated interview assessment sheet was verified by visual inspection of the interview sheet template.
- 42. Average length of service was verified using the staff database and cross-checked through informal conversation with senior staff members.
- 43. The male / female ratio and the local / national ratios were verified using the staff wages database and also through informal conversation with various employees. It should be noted that the Owner / Managing Director is international but has not been included in these statistics because he is not technically an employee.



MALE / FEMALE EMPLOYEE RATIO⁴³



NATIONAL / LOCAL EMPLOYEE RATIO⁴³

LEAVE & HOURS

Leave and working hours comply with company policy, taking into account the specific staffing needs of the tourism industry as they apply to a small lodge with widely variable levels of occupancy. Leave is granted in accordance with the company rules and attendance records are up to date⁴⁴. The Attendance Register, maintained by the Dining and Rooms Supervisor, defines presence / absence / sickness and leave.

The longest working day, during peak season (sampled in October and November 2010), is 12 hours (14 hours from 5am to 9pm with two hours break), and may be worked for two to four day periods⁴⁵. At the other extreme, during the off-season the normal working day may diminish to three hours. The loading thus averages out. Stewards, Cooks, Dining and Rooms Supervisor and Lodge Manager tend to have the longest working hours. Other staff tend, on average, to have an eight-hour, or less, working day even at peak times.

STAFF TRAINING

Staff training is largely undertaken by peers using the "buddy" system. Informal discussion and experiential or on-the-job training makes up a significant percentage of training for senior staff, such as departmental heads, managers, etc⁴⁶. Facilities are also provided for more specific training, with several employees opting for training in Japanese, English, and computer operation. Familiarisation visits to other Tiger Mountain operations and visits from other organisations to the lodge form a significant part of staff training.

Romie Varley, a professional caterer, housekeeper and tour guide, makes annual or bi-annual visits from the UK to give instruction on housekeeping and cookery. In 2010, Mark Witterington and Nathalie Mancel, hotel



service trainers recommended by Duncan and Rachel Baker of Ker and Downey Lodges (on the main trek route to Annapurna Base Camp), spent five days giving housekeeping and hygiene training at the lodge accompanied by a general inspection and report⁴⁷.

In autumn 2009 we paid for Lakshmi Lama of Tiger Mountain Kathmandu to attend an official food hygiene training course organised by the Hotel Association of Nepal⁴⁸. She will impart this training to staff at the lodge and other Tiger Mountain operations. Similarly, cooks from Ker and Downey Lodges undertook two three-day training sessions in the lodge's kitchens. Buddhi Ram Ma-

hato attended a Japanese cookery course initiated by Mountain Travel Nepal in 2007.

Occasional visit by foreign youth interns (Tiger Mountain Nepal Youth Training Programme) are used to help with English language skills and confidence in spoken English. In 2009, Marcus Cotton and Jhalak Chaudhary participated in MAST, a sustainable tourism marketing seminar series, initiated by Nepal Tourism Board with support of UN and other international development agencies, over a period of several months in Kathmandu. Marcus Cotton regularly attends conferences and seminars and exchanges findings and experiences with senior staff.

VERIFICATION NOTES

44. Leave was verified by interviewing employees of varying grades and departments and cross-checking with the company rules and the Hotel Association of Nepal.
45. Working hours were verified by interviewing employees of varying grades and departments. This was reinforced by witnessing staff working hours.
46. Training was difficult to verify due to the nature of how it is received. This was instead verified through staff progression and an informal conversation with Jhalak Chaudhary, featured in the 'Staff Bio' - see verification point 49.
47. Housekeeping and hygiene training was verified by visual inspection of the resulting report.
48. Lakshmi Lama's training was verified using the company accounts to witness proof of payment for the course.

STAFF BIO

Now Guest Relations and Operations Officer, Jhalak joined the company from the start in 1998 as an assistant guide and was trained by Tiger Tops Jungle Lodge.

After six months, he was promoted to a guide. He has received training in Japanese and English, each an external course lasting two months. All wildlife training was internal and given by the senior guide at the time. In 2000, Jhalak attended a one-week city- guide training course in Pokhara. He was promoted as Head Guide. After seven years, he became an Assistant Guest Relations Officer (GRO) and then full GRO. He has had no external management training but has attended a MAST training course in 2008.

Jhalak now is responsible for overall supervision of the hotel services of the lodge, its activities, and training of guides. He also supervises all the wildlife-monitoring projects undertaken by lodge staff⁴⁹.



WIDER STAKE HOLDER GROUPS

Our stakeholder groups are defined as guests, employees, local community members, government (local and national), and suppliers.

Four SAG Meetings were held in 2008/09 and three in 2009/10. Average attendance was 12 in 2008/09 and 8 in 2009/10⁵⁰ a decline largely due to two large meetings the previous year with staff from other Tiger Mountain properties attending.

Staff have also reported increased awareness of the benefits of avoiding corruption and applying company policy within their personal interaction with government officials.

ACTIONS

STAFF

Apart from reference elsewhere in this report, staff information and support has been derived from the Sustainable Action Group (SAG) meetings. This informal forum was established in 2009. It comprises any staff member who wishes to be involved on an ad hoc basis. The group has held several meetings to discuss issues of responsible conservation tourism and its application within the lodge and community. As might be expected, the group has found sustaining regular meetings in a busy working environment a challenge! However, meetings have resulted in some sound ideas for improved management.

VERIFICATION NOTES

49. An informal chat with Jhalak took place to verify the training he has received.

FUTURE PLANS

- Improve access to staff training.
- Provide first aid training.
- Formalise annual fire fighting training.
- Incrementally increase total take-home pay to raise average remuneration.
- Develop an informal staff career development / assessment interview process if perceived beneficial by the majority of employees.

VERIFICATION NOTES

50. The number of attendees and the SAG meeting minutes are used to verify the existence of the Sustainable Action Group.
- The idea for plastic bag minimisation discussed in section 'Plastic Reduction' was noted in the SAG minutes therefore verifying ideas are formulated and implemented.

WIDER STAKE HOLDER GROUPS

COMMUNITY

Apart from as reported elsewhere, initiatives have included a litter awareness programme with local mothers' groups under the aegis of the Sustainable Action Group. This failed due to lack of time and focus by both staff and group members.

GUESTS

We have focused on informing our guests about our concept of responsible conservation tourism and have re-written our room information folders to collate and define this approach⁵¹. Initial briefings of guests on arrival also mention responsible conservation tourism, showing how we make responsible tourism a priority. Notices to promote water conservation are in each bathroom⁵².

Our website has been updated with both English and French pages to inform a wider audience. The site includes our responsible conservation tourism policy. It is regularly checked to ensure accuracy .

GOVERNMENT & INTERNATIONAL

A visit in early 2010 was made by a local government study team to discuss tourism and local government interface issues.

Study groups from the Tibet Autonomous Region Government and from Bamyán Province, Afghanistan visited in 2008 and 2009 to discuss sustainable tourism management and to experience our approach to responsible conservation tourism.

SUPPLY CHAIN AWARENESS

As part of our policy, we aim to include our suppliers in the process of responsibility and sustainability. This is not easy in Nepal where plagiarism and suspicion tend to prevent open dialogue. However, our soap and shop products supplier, Wild Earth, has engaged with us to explain their policies and approach, which include fair trade (www.wildearth.com). This organisation supplies a significant

percentage of the goods sold in our shop, as well as the soap for our guest bathrooms.

Working with our sister companies has yielded a positive exchange of views. This work is ongoing, with the goal of spreading the Responsible Tourism Verification process to all Tiger Mountain Nepal businesses over time.

Defining the percentage of goods sourced locally is not easy; however, priority is given to purchasing from the local community whenever and wherever possible – for example, jams and marmalade are made from a supply of 100% local fruit. Some vegetables are purchased from individual local families where a surplus is available. We purchase at the Pokhara retail price for local supplies except where the supplier offers a discount. General store items and groceries are all purchased in Pokhara, unless not available from the town. The largest element of imported goods is wine and spirits for the bar. However, we promote local spirits as a substitute as well. Vodka, gin, and locally brewed (Nepal) beer are widely accepted by guests⁵⁴.

The vast majority of our payments are on a cash basis - over 76% of total payments made in financial year 2009/10 (credit payments being approximately 874,000 NPR as part of 6.4 million NPR). Credit dues are paid at each month-end or sooner.

2008/09 – one payment for 14,300 NPR was four days late due to a delayed bill⁵⁵.

2009/10 – one payment for 32,200 NPR (rounded) was ten days late due to delayed bill⁵⁵.



VERIFICATION NOTES

51. Room information folders were noted in all rooms spot-checked and guests questioned were aware of aspects of responsible conservation tourism.

52. Notices to promote water conservation have been implemented - see verification point 12.

53. Responsible Tourism Policy can be downloaded from <http://www.tigermountain.com/pokhara> and click on 'Download Information.'

54. The store logs were used to verify the promotion of local spirits and beer. The purchase of local spirits in 2009/10 was 15.6 times imported brands and local brand beer 2.23 times locally brewed foreign brands.

55. Delay in supplier payments were verified using the company accounts.

FUTURE PLANS

Litter awareness - the concept will be reviewed and applied in a new format.

Further effort with supply chain development.

Further emphasis on rollout of Responsible Tourism Verification within other Tiger Mountain Nepal companies.

WHAT HAVE WE LEARNT?

Without doubt, the value of having quantifiable measures to verify all our policy objectives has been paramount. The opportunity to be partners in the evolution of the Responsible Tourism Verification Scheme has enabled us to work together to develop an effective process tailored to our specific needs.

The process of engagement with the verification process has raised awareness and appreciation of the sound use of resources among all the staff at the lodge. The thoroughness of the verification process is exemplary. Finally, it gives form and substance to an extensive list of actions initiated in good faith and now validated. Our challenge will be to do even better next year!



VERIFICATION REPORT & LEGAL STATEMENT

Responsible Tourism Verification is the process whereby an independent third party reviews the applicant's Responsible Tourism Policy and Responsible Tourism Report to validate the statements made in each document. The result of this process is the Responsible Tourism Verification Report; the company's Responsible Tourism Report integrated with the independent party's verification notes.

I have reviewed the Responsible Tourism Report written by Tiger Mountain Pokhara Lodge, their Responsible Tourism Policy and other documentation supplied by the company in order to verify the statements made in their report and policy statement.

The data marked as verified (denoted by the footnotes) has been checked by me and based on the records provided by the company, I confirm that I believe this data accurately reports what the company has achieved.

In considering the specific document checks undertaken, interviews with senior and junior employees and the review of the reports and their supporting documentation, I believe the company's Responsible Tourism Verification Report to be a valid statement of their achievements over the reporting period and that they comply with their Responsible Tourism Policy.

Legal responsibility and liability resides with the company making the declaration and if their claims have formed part of their contract with any consumer, they may be liable for mis-selling.

All personal information used to verify the company is returned after the publication of the report and is not held by myself.

Jenefer Bobbin

Responsible Tourism Reporting Verifier