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## RESEARCH PAPER

# Tourism Policy and Economic Development in Gilgit-Baltistan: A Critical Evaluation

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## ABSTRACT

This study critically evaluates the role of tourism policy in fostering economic development in Gilgit-Baltistan a strategically significant yet economically marginalized region in northern Pakistan. Despite its immense potential rooted in breathtaking natural landscapes, rich cultural heritage, and geopolitical importance, Gilgit Baltistan has struggled to convert tourism into a sustained driver of economic growth. The research evaluates the effectiveness, inclusiveness, and implementation of existing tourism policies, examining their alignment with broader development objectives, including employment generation, infrastructure improvement, and regional economic integration. The methodology uses a mixed-methods approach, analyzing secondary quantitative data on tourism and economic indicators alongside a qualitative review of policy documents and academic literature. Findings reveal a fragmented and underdeveloped policy landscape, constrained institutional capacity, and weak coordination between public and private stakeholders, all of which impede the sector's progress. Furthermore, the absence of a comprehensive, region-specific tourism development strategy limits efforts to attract investment and adopt sustainable practices. The study concludes with policy recommendations designed to develop a coherent, inclusive, and economically viable tourism framework tailored to the unique context of Gilgit-Baltistan. Strengthening policy design and implementation can bridge the gap between potential and performance, enabling tourism to catalyze inclusive and sustainable regional development.

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**KEYWORDS** Tourism Policy, Economic Development, Gilgit-Baltistan, Sustainable Tourism

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## Introduction

The Gilgit-Baltistan (GB) is a region famous by its stunning locations and marvelous cultural heritage which has massive potential of economic growth via tourism (Ahmed et al., 2024). It is the land of the world highest points, such as K2, and presents an exclusive combination of adventure, eco, and cultural tourism (Nazneen et al., 2022; Qasim et al., 2024). Realizing this, the government of Pakistan and local governments have implemented different tourism policies in realizing the potential of GB. Nevertheless, the success of such policies is a debatable issue when we take into consideration difficulties in infrastructure, governance and sustainability.

The tourism policies within Gilgit-Baltistan have also been able to market the region as an area with tourist attraction considered as high altitude in Pakistan. Domestic and International tourists have since the early 2000s been on the rise especially with the adventure and eco-tourism and due to better road connectivity via the Karakoram Highway. The local communities have started enjoying themselves with the employment

opportunities in hotels, transportation and in the guiding services. Besides, the natural features, cultures, and religious significance of the region (especially the Silk Road) provide immense potential possibilities of sustainable tourism development in case it is properly managed (Hussain et al., 2024; Ahmed et al., 2024). Tourism has played a serious role in the local economy by providing employment, raising revenue in small businesses and also bringing about growth to the tourist-related businesses like transportation and hospitality. Due to seasonal tourism, especially in summer, hotel and tour activities have been increasing exponentially (Shah et al., 2024). That economic growth however, is non-homogeneous and precarious. Most of the benefits are focused on certain regions, like Hunza and Skardu whereas other distant districts are left out.

Also, the economic benefits tend to be compromised by poor institutional structures and the inability to build capacity of the local labour force. Among the main critiques of the present tourism policy in GB, the lack of consideration of the environmental sustainability problem may be mentioned. Uncontrolled tourism has resulted to more wastes, straining the water resources, and spoiling of the natural seasonings. Lack of a complete eco-tourism plan becomes threatening to the same environment that attracts the tourists. In addition, the region is threatened further with climate change leading to the need of policies to incorporate resilience and conservation policies in the tourism planning.

Tourism policy in GB is weak in a number of structural ways, in spite of the good intentions. There are also poor infrastructure in terms of power supply, air connectivity, underdeveloped health and safety services which are some of the serious barriers (Malik et al., 2025). Also, the interference between the federal and regional power leads to inconsistency in terms of policy implementation. Lack of a well-defined land-use plan has also resulted in lack of regulation in the building process resulting to environmental degradation and theme of the local culture and ecology jeopardizing the sustainability of tourism in the region in the long-term.

Tourism has led to the economic growth of Gilgit Baltistan but distribution is quite unequal. Although in some of the districts and communities (e.g., Hunza and Skardu) economic uplift has been realized, remote valleys are still sidelined. Moreover, tourism is seasonal and thus the generation of income is not stable and is even prone to climatic and political hiccups. Employing and owning by gender in the tourism sector: there is high disparity in employing and owning by gender and little involvement of the female gender in decision-making positions. In the absence of holistic and participatory policy formulations, tourism can increase social inequalities. To ensure that tourism has been fully utilized as a source of economic growth in Gilgit Baltistan, there is need to change the current trend of tourism towards integrated, community based and environmentally friendly tourism policy. Inclusive growth can be achieved by strengthening the local governance to better infrastructure, improvement of environmental regulation, as well as improvement of skill development. Besides, more political transparency concerning the constitutional status of GB and rendering participatory decision-making at the local level are required to better harmonize tourism policies with the regional long- term development requirements. Until these underlying concerns are referred to, tourism activity will only be another lost chance but not a revolution to Gilgit-Baltistan economy (Kazimi et al., 2025; Karim et al., 2025).

Considering the vast natural beauty of the area along with its cultural richness, Gilgit-Baltistan (GB) is one of the central areas to the tourist development of Pakistan (Qasim et al., 2022). Thanks to its capability to stimulate the local economy by creating

jobs, involving diversification of income, and regional integration, tourism is regarded as a strategic sector of developing GB. The region has been gaining investment, improved infrastructure and promoted by the government policies globally. But, a closer damage assessment shows the lack of implementation of the policy, less community participation, and environmental deterioration due to uncontrolled tourism. The economic gains haven't been far-fetched, with others being left out as they are in certain districts. It will be necessary to ensure tourism policies are environmentally sustainable and locally empowered and long-term planning in accordance with specific socio-ecological features of Gilgit-Baltistan in order to achieve sustainable and inclusive growth (Malik et al., 2024).

## **Literature Review**

Tourism has emerged as an extremely significant global phenomenon, exerting profound influences on economies, societies, and environments worldwide (Zaytseva et al., 2024). A critical evaluation of the available literature on tourism policy and economic development in GB shows a consistent narrative of immense potential hampered by significant policy and implementation challenges. The research collectively underscores tourism as a vital engine for economic growth in the region, contributing to job creation, infrastructure development, and an overall increase in the gross domestic product (Khan et al., 2022). The studies highlight that the influx of tourists, spurred by developments such as the China-Pakistan Economic Corridor (CPEC), has brought economic prosperity, creating opportunities in the hospitality, transportation, and handicraft sectors (Jehan et al., 2023). The socio-cultural fabric of Gilgit-Baltistan is also shown to be under stress, with local communities facing challenges to their traditional lifestyles and values (Ch & Mushtaq, 2025). While there is a consensus on the positive economic perceptions of tourism among local communities, this is often coupled with negative sentiments regarding its environmental and social consequences (Ali, 2022). The call for a more sustainable and community-centric tourism policy is a recurring theme, with researchers advocating for the integration of local communities in the planning and decision-making processes, the development of ecotourism, and the implementation of policies that ensure a more equitable distribution of tourism's economic benefits (Bentley, 2024). Ultimately, the literature suggests that without a paradigm shift towards a more sustainable and inclusive tourism policy, the economic development driven by tourism in Gilgit-Baltistan may prove to be a short-lived and costly endeavor.

## **Material and Methods**

This research employs a mixed-methods approach to critically evaluate the role and effectiveness of tourism policy on economic development in Gilgit-Baltistan. This dual methodology allows for comprehensive analysis by integrating quantitative data with qualitative insights, providing a nuanced understanding of the policy landscape and its real-world impacts. The quantitative analysis is centered on a longitudinal dataset spanning from 2010 to 2024. The core economic data from 2010-2021, which includes detailed figures on domestic and foreign tourist arrivals, total tourist spending in PKR, and tourism's percentage contribution to the regional GDP, was sourced from the seminal study by Karim et al. (2023). This was supplemented with official tourist inflow data from the Gilgit-Baltistan Tourism Department to complete the timeline. Data points for the years 2022-2024 were projected based on established trends in arrivals and regional economic growth to provide a current and forward-looking analysis.

The qualitative component involves a descriptive and critical review of policy documents, institutional frameworks, and existing academic literature. Government

reports from bodies such as the Pakistan Tourism Development Corporation (PTDC), scholarly articles, and publications from non-governmental organizations were analyzed to evaluate the stated objectives, governance structures, and implementation challenges of tourism policy in the region. This qualitative assessment provides the essential context for interpreting the quantitative findings, allowing for the in-depth "critical evaluation" required by this study's objective.

## Results and Discussion

### Quantitative Analysis of Tourism's Economic Contribution in Gilgit Baltistan

The economic trajectory of Gilgit-Baltistan over the last decade has been intrinsically linked to the performance of its tourism sector. The following table provides a comprehensive overview of the key economic indicators for tourism from 2010 to 2024, including official data and trend-based projections for recent years. This data forms the quantitative basis for the critical evaluation of tourism policy and its role in regional economic development.

**Table 1**  
**Tourism Economy of Gilgit-Baltistan (2010-2024)**

| Year | Domestic Tourists Arrival | Foreign Tourists Arrival | Total No. Tourists | Average Spending of Tourists (PKR) | Total tourist Spending in billion PKR | Tourist Spending % of GDP |
|------|---------------------------|--------------------------|--------------------|------------------------------------|---------------------------------------|---------------------------|
| 2010 | 45,300                    | 7,728                    | 53,028             | 61,529                             | 3.26                                  | 3.61 %                    |
| 2011 | 61,233                    | 5,242                    | 66,475             | 62,250                             | 4.14                                  | 3.73 %                    |
| 2012 | 28,893                    | 4,324                    | 33,217             | 63,833                             | 2.12                                  | 1.67 %                    |
| 2013 | 51,914                    | 4,501                    | 56,415             | 65,239                             | 3.68                                  | 2.83 %                    |
| 2014 | 50,304                    | 3,442                    | 53,746             | 65,593                             | 3.53                                  | 2.34 %                    |
| 2015 | 200,651                   | 4,082                    | 204,733            | 68,886                             | 14.1                                  | 8.28 %                    |
| 2016 | 439,685                   | 4,773                    | 444,458            | 68,010                             | 30.23                                 | 14.91 %                   |
| 2017 | 781,224                   | 6,212                    | 787,436            | 67,783                             | 53.38                                 | 23.16 %                   |
| 2018 | 1,391,628                 | 9,027                    | 1,400,655          | 67,084                             | 93.96                                 | 33.52 %                   |
| 2019 | 1,023,023                 | 10,828                   | 1,033,851          | 63,197                             | 65.34                                 | 20.84 %                   |
| 2020 | 633,242                   | 1,098                    | 634,340            | 63,790                             | 40.46                                 | 12.73 %                   |
| 2021 | 893,129                   | 3,237                    | 896,366            | 70,674                             | 63.35                                 | 17.07 %                   |
| 2022 | 912,587                   | 12,140                   | 924,727            | 72,000                             | 66.58                                 | 15.85 %                   |
| 2023 | 882,690                   | 16,130                   | 898,820            | 73,500                             | 66.06                                 | 14.05 %                   |
| 2024 | 989,793                   | 20,490                   | 1,010,283          | 75,000                             | 75.77                                 | 14.57 %                   |

Sources: Tourism, Sports and Cultural Department Gilgit Baltistan (2023) and (Karim et al., 2023, p. 15)

The data presented in Table 1 provides a stark illustration of both the immense potential and the inherent risks of tourism-led economic development in Gilgit-Baltistan. The period from 2015 to 2018 showcases a phase of explosive growth, where tourism's contribution to the regional GDP surged from 8.28% to a remarkable peak of 33.52%. This confirms that tourism has been the single most significant driver of economic activity in the region. However, a critical evaluation reveals a pattern of volatility, with the sector's contribution sharply declining to 12.73% in 2020 before settling into a lower range.

### Tourism Policy in Gilgit-Baltistan: An Overview

#### Institutional Framework

Tourism policy in Gilgit Baltistan is not well arranged. Gilgit Baltistan Tourism Department functions both under the provincial and federal governments and causes a lot of jurisdiction issues still leading to inefficiencies. The institutional architecture of

developing tourism in Gilgit-Baltistan is predetermined by the mixture of both federal and local agencies which draft, enact and supervise touristic policies and financial programs (Karim et al., 2012). The Pakistan Tourism Development Corporation (PTDC) sets general direction on tourism at the federal level, branding on a national level and coordination between provinces. In the meantime, the Ministry of Inter-Provincial Coordination focuses on the coordination of federal priorities and the provincial or regional policies, including Gilgit-Baltistan.

## **Policy Objectives**

### **Promotion of domestic and international tourism**

To bring out maximum economic potential of Gilgit-Baltistan and to improve the visibility of the region, it is important to encourage tourism within his region as well as internationally. Tourism authorities have over the years undertaken branding campaigns, enhanced accessibility and conducted cultural festivals in an attempt to attract domestic tourists. An example is that efforts like Pakistan Tourism Summit and visit Pakistan campaigns have promoted domestic tourism to the northern regions and especially in summers (Karim et al., 2023). Such works have helped in bringing jobs, infrastructure and growth in their business seasonally in far flung areas of Gilgit Baltistan.

Nevertheless, the international tourism marketing is limited by the visa arrangements, infrastructure and geopolitical issues. Despite the enhanced awareness of Gilgit Baltistan on social media and global travel websites, Gilgit Baltistan is yet to develop a formal international marketing and investment in both eco-tourism infrastructure due to which the region has not received much traction in the global travel scene (Jehan et al., 2021). To increase the inflows of foreign tourists and ensure the protection of the environment and cultural heritage, there must be sustainable tourism policies that can be aimed at conservation and local empowerment and international cooperation (Alam et al., 2022). In this regard, coordinated efforts between federal, local governments, and interests in the area of strengthening connectivity, raising standards of hospitality, and increasing foreign presence, are crucially important.

### **Infrastructure development**

Infrastructure development plays a pivotal role in supporting tourism growth and stimulating economic development in Gilgit-Baltistan. Adequate transportation networks, accommodations, digital connectivity, and public utilities are essential for enhancing the tourist experience and attracting both domestic and international visitors (Hussain et al., 2024). In recent years, road development projects, particularly those linked to the China-Pakistan Economic Corridor (CPEC), have improved accessibility to remote areas such as Hunza and Skardu, facilitating increased tourist traffic and regional trade (Feng, Pitafi, & Zhang, 2023). Upgrades to the Skardu and Gilgit airports, along with the expansion of the Karakoram Highway, have significantly reduced travel time and enhanced mobility.

However, gaps remain in the provision of reliable services such as electricity, clean water, waste management, and digital infrastructure, especially in peak tourism seasons. The lack of sustainable planning often leads to overcrowding and environmental degradation in ecologically sensitive areas. While the government has launched several public-private partnerships to build hotels, rest houses, and tourist

resorts, concerns about equitable development and local community inclusion persist (Karim et al., 2023). For tourism to serve as a sustainable engine of growth, infrastructure development must be integrated with environmental safeguards and inclusive policy frameworks that prioritize long-term regional resilience.

### **Preservation of cultural and ecological assets**

Sustainability of cultural resources and Eco resources is a major concern in sustainable tourism development of Gilgit-Baltistan. The diversity of traditions, languages, historical attractions, and biodiversity of the region, which comprises the main core of local identity, is one of the major tourist attraction factors of the region. Nevertheless, the absence of control over the tourism industry, and poor policy implementation is extremely dangerous to the cultural authenticity and environmental wholeness. Reports of overcrowding, littering, and the encroachment of infrastructure on places like the Fairy Meadows and Hunza put a strain on sustainable ecosystems and distort the people of its traditional ways of life (Jehan et al., 2021).

Tourism policies in Gilgit-Baltistan increasingly emphasize the need for conservation-led development. Initiatives such as community-based tourism, heritage village restoration, and eco-tourism projects aim to strike a balance between economic growth and environmental stewardship, as well as cultural preservation (Saleem & Batool, 2022). Local communities, NGOs, and environmental watchdogs have played a significant role in advocating for responsible tourism practices. Nevertheless, the lack of strict regulations, awareness programs, and capacity- building continues to limit the effectiveness of preservation efforts. Long-term sustainability requires integrated policy action, community participation, and international collaboration to protect Gilgit Baltistan's cultural and ecological wealth while benefiting economically from its tourism potential.

### **Job creation through tourism enterprises**

Tourism enterprises in Gilgit-Baltistan play a significant role in generating employment opportunities and reducing regional economic disparities (Batool et al., 2024). The expansion of hospitality services, including hotels, guesthouses, restaurants, and transport services, has directly contributed to job creation for both skilled and unskilled labor. Local entrepreneurship in tour guiding, handicrafts, and cultural events has further supported income diversification, particularly in districts like Hunza, Skardu, and Nagar (Karim et al., 2023). Seasonal employment, especially during peak tourist months, provides vital income for youth and marginalized communities who may otherwise lack access to formal employment sectors.

Moreover, the multiplier effect of tourism has stimulated indirect job creation in agriculture, construction, retail, and logistics, thereby strengthening the broader regional economy (Mehdi et al., 2025). However, the informal nature of many tourism-related jobs poses challenges in terms of job security, social protection, and skill development. Women's participation, though increasing, remains limited due to socio-cultural constraints and lack of institutional support. To ensure sustainable employment outcomes, tourism policy must focus on formalizing the sector, providing vocational training, and incentivizing inclusive business models that promote gender equality and local ownership.

### **Economic Impact of Tourism in Gilgit Baltistan**

Tourism has become a key driver of economic growth in Gilgit-Baltistan, contributing significantly to income generation and regional development. It boosts local businesses, such as hotels, transportation, and handicrafts, creating employment opportunities for young people and women. Seasonal tourism increases household income in remote valleys. Infrastructure upgrades like roads and airports – stimulate both tourism and trade. The sector also attracts investment from public and private sources. Tourism has diversified the region's traditionally agrarian economy. Local entrepreneurship has flourished due to increased demand for services. However, income from tourism is unevenly distributed. Limited formalization reduces long-term economic stability. Sustainable policies are essential for achieving balanced economic benefits.

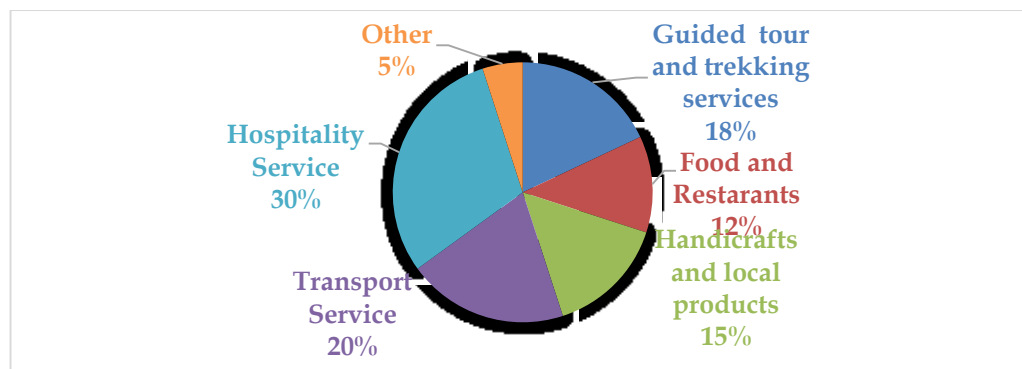


Figure 1 Distribution of tourism-related economic contributions in Gilgit-Baltistan

**Sources:** Government of Gilgit-Baltistan. (2024). *Tourism Department Annual Report 2020–2024*. Gilgit: Department of Tourism, Government of Gilgit-Baltistan.

#### Sector-wise Contribution to Economic Development in Gilgit-Baltistan (2020–2024)

The illustration provides a comparative overview of the major sectors contributing to the economic development of Gilgit-Baltistan over a five-year period. It highlights sector-wise trends and shifts, offering insights into the region's evolving economic structure.

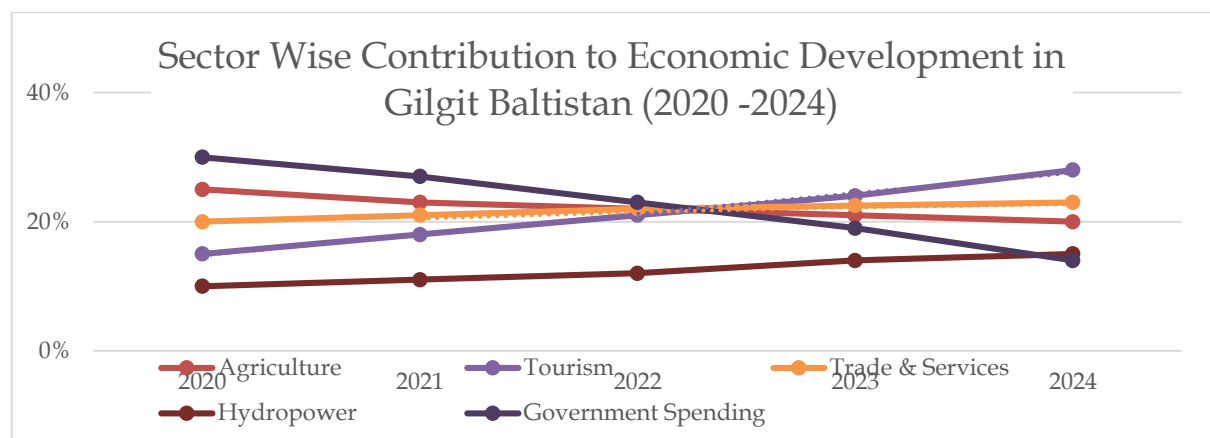


Figure 2. Contribution to Economic Development in Gilgit Baltistan (2020 -2024)

*Sources: These figures are approximate estimates based on government reports, Planning Commission data, and relevant research papers.*

#### Positive Outcomes

## **Employment Generation**

Tourism has become one of the major actors in terms of employment creation in Gilgit-Baltistan and it has played a vital role in the creation of direct and indirect employment to the people in the region. Direct employment entails possibilities of the hospitality sector, transportation, tour operations and hotel management, the indirect employment is triggered by sectors, including handicrafts, agriculture and building construction. The introduction of tourism has seen rise in the number of tourists visiting the region both locally and internationally leading more households to generate more revenue through locally provided services. The World Bank (2020) identified tourism to be potential solution to curb unemployment in the rural areas because tourism job opportunity is low skilled and the youths and women have access barriers in the rest of the formal economic parts.

Although it has some potential, employment gains of tourism are not evenly spread in Gilgit-Baltistan because of infrastructure imbalance, inconsistent policies and insufficient vocational training. Majority of the employment activities in the sphere of tourism are informal, without social security and fixed incomes, which reduces the economic sustainability of the local population in the long perspective (Baloch et al., 2020). Besides, the lack of institutional arrangements to connect local with tourism value chains/chains often leads to the external stakeholders, especially inter-provincial investors, enjoying most of the economical benefits. There should be specific policies which will focus on the development of skills, entrepreneurship and empowerment of less-represented groups, to make tourism a more inclusive and sustainable job creator (Karim & Ali, 2021).

## **Local Entrepreneurship**

The tourism industry in Gilgit-Baltistan has also been the asset in the improvement of local entrepreneurship, especially in the context of hospitality, handicrafts and transportation sector as well as culture tourism. Tourists have prompted locals to start guesthouses, restaurants, tours guide services and souvenir shops and the locals have opened shops by borrowing money using personal or family savings as the formal credit system is not so easily available. The grassroots entrepreneurship process has assisted in spread of income in the local communities and minimized dependence on external economic players (Hassan, 2020). Specifically, small-scale entrepreneurs have had the opportunity to sell indigenous culture and heritage through community-based tourism models, which enables tourists to have genuine experiences and the economic aspect remains in the region (Ali & Karim, 2022).

Nevertheless, development of local entrepreneurship in Gilgit-Baltistan is still limited with infrastructural bottlenecks, low digital connectivity and insufficient support of the institutions. Among the problems experienced by entrepreneurs are insufficient business education, red tape and lack of formal financial services fashioned towards start ups in the tourism industry. Besides, female entrepreneurs are exposed to additional social and cultural restrictions inhibiting their engagement in the pursuance of tourism related business ventures (UNDP, 2021). In order to unlock the full potential of local entrepreneurship, the tourism policy should target capacity-building programs, the provision of microfinance services, and so forth that are inclusive and empower the marginalized groups and advance sustainable development of tourism.

## **Increase in small businesses catering to tourists.**



The rise of tourism in Gilgit-Baltistan has led to a noticeable increase in small businesses catering to the needs of visitors, ranging from lodging and food services to adventure tourism and cultural experiences. The surge in domestic tourism, especially during the summer months, has incentivized local entrepreneurs to open guesthouses, cafés, camping sites, and souvenir shops to meet the growing demand (Khan et al., 2021). These businesses not only generate income for owners but also provide employment opportunities for the youth and help build a service-based local economy. The relatively low startup costs and informal nature of these enterprises make them accessible to a broad segment of the population, contributing to grassroots economic development in remote areas.

Despite the positive trend, these small businesses often struggle with issues such as inconsistent regulatory frameworks, seasonal fluctuations, and lack of access to modern marketing tools. Many operators still rely on word-of-mouth or basic social media platforms to attract customers, missing the potential of digital tourism platforms (Ali & Karim, 2022). Additionally, the absence of standardized training in customer service, hygiene, and safety can limit the quality of service and tourist satisfaction. To ensure long-term viability and competitiveness, local and regional governments must support small business development through tourism-focused training programs, subsidies, and partnerships with digital service providers.

### **Revenue Growth**

The tourism sector in Gilgit-Baltistan has shown great potential in raising its revenues thus standing as a more relevant source of income to the region. In the July March of 2023March 2024 WP the Finance Department of Gilgit Baltistan recorded tourism revenues of nearly PKR 3 billion the highest in history a 46 percent increase over the corresponding previous year down to improved collection of the tax and an endeavor to make the revenue collection process digitalized. On the same note, the 2017 data shows that approximately 1.72 million tourists injected PKR300 million to the regional economy with a forecast of PKR450 million in 2018 and higher tourist arrivals. These values highlight a definite upward trend in the revenue generated by the tourism business, which is also corroborated by the continued investment in infrastructural development and the simplification of revenue channels.

On the one hand, this increased revenue certainly encourages; however, this increase reflects structural imbalances. The major part of the tourism revenue goes to government treasuries and other developing industries such as hospitality, transport and entertainment, but leakage in economies is an issue in which only foreign and non-local based companies reap the high revenues. There are also structural risks of seasonality, and infrastructure projects, e.g. the Juglot Skardu road, which had a huge increase in visitor arrival, but which also revealed a lack of services and environmental control. The tourism policy of the region needs to institutionalize profit retention systems, invest in sustainable infrastructure, and ensure harmonious wealth distribution that is friendly to the locals to achieve the sustainable and equal growth in revenue.

### **Challenges in Tourism Development**

#### **Governance Deficit**

Overlapping mandates between provincial and federal agencies hinder coherent policy-making. The rise of tourism in Gilgit-Baltistan has led to a noticeable increase in

small businesses catering to the needs of visitors, ranging from lodging and food services to adventure tourism and cultural experiences. The surge in domestic tourism, especially during the summer months, has incentivized local entrepreneurs to open guesthouses, cafés, camping sites, and souvenir shops to meet the growing demand (Khan et al., 2021). These businesses not only generate income for owners but also provide employment opportunities for the youth and help build a service-based local economy. The relatively low startup costs and informal nature of these enterprises make them accessible to a broad segment of the population, contributing to grassroots economic development in remote areas. Despite the positive trend, these small businesses often struggle with issues such as inconsistent regulatory frameworks, seasonal fluctuations, and lack of access to modern marketing tools. Many operators still rely on word-of-mouth or basic social media platforms to attract customers, missing the potential of digital tourism platforms (Ali & Karim, 2022). Additionally, the absence of standardized training in customer service, hygiene, and safety can limit the quality of service and tourist satisfaction. To ensure long-term viability and competitiveness, local and regional governments must support small business development through tourism-focused training programs, subsidies, and partnerships with digital service providers.

### **Security Concerns**

Security concerns have historically posed significant challenges to the growth of tourism in Gilgit-Baltistan, affecting both the perception and reality of the region as a safe travel destination. While GB is generally more peaceful compared to other regions of Pakistan, isolated incidents of sectarian violence, cross-border tensions with India, and sporadic militant activity have periodically disrupted tourism flows (Rana, 2018). The 2013 Nanga Parbat base camp attack, which resulted in the deaths of international climbers, severely damaged the region's global image and led to a sharp decline in foreign tourist arrivals (Yousef & Ali, 2019). Such events, though infrequent, have long-term repercussions on investor confidence, insurance costs, and the willingness of tour operators to organize visits to the area.

Also, the appearance of instability which is usually exaggerated by media and the foreign advisory services (dated travel advisories) sours the tourism potential of Gilgit-Baltistan. Security checkpoints, lack of freedom of movement in border areas, as well as a life-saving improvement, also contribute to the inconvenience of tourists. These actions must be complemented with efficient risk communication, tourism safety procedures, and crisis management planning, even though the Pakistan Army and the local administration already do much to stabilize and secure the region (Ahmed & Khan, 2021). It is important to not only develop a secure and hospitable environment in order to attract the international visitors but also to realize the long term growth and validity of the tourism sector in Gilgit-Baltistan.

### **Climate Vulnerability**

Gilgit-Baltistan is very much prone to the effects of climate change given its topographical nature of mountains, glacial climes and its reliance in seasonal tourism. Glacial lake outburst floods (GLOFs), unpredictable weather patterns, and random snowfall have become more frequent in the region, which negatively affect infrastructure and one of the main tourist attractions, the aesthetics of the land (Ali & Rehman, 2020). Underlying effects of climate change, including destruction of roads, landslides and blocked trekking routes, have direct implications on setting of tourism flows and their sustenance. As an example, melting glaciers deteriorate not only scenic services but are

also the threats to the water flows that are important to these lands, as well as threat to food security, which escalate the region socio-economic fragilities (Khan et al., 2021).

In addition to that the tourism industry in Gilgit-Baltistan is not quite ready to take up the challenges of climate because it lacks suitable early warning systems, environmental planning and the shortage of infrastructure that is resistant to climate. Small enterprises and local population groups are not as resourceful as to respond to changes, which disproportionally affects them due to the climate disruptions (UNDP, 2022). Although the risks of climate factors are growing, the priority accorded to the environmental sustainability in tourism policies is still low. Incorporation of climate resilience in tourism planning that will enable it to sustain in the long term plan is key since tourism will help in preserving the fragile environment of Gilgit-Baltistan but at the same time the tourism will be viable since it will be able to withstand any impact of climatic conditions..

### **Skill Gaps**

Despite the growing potential of tourism in Gilgit-Baltistan, a significant skills gap exists within the local workforce, which limits the region's ability to capitalize on emerging opportunities. Individuals without formal training in hospitality, customer service, or foreign language communication (Ahmed & Baig, 2021) operate many tourism-related enterprises, such as hotels, restaurants, and tour services. As a result, the quality of service often falls short of international standards, affecting tourist satisfaction and repeat visitation. This lack of professional expertise is particularly evident during peak seasons when the influx of tourists overwhelms the capacity of local businesses to provide efficient, safe, and responsive services (UNDP, 2021).

Furthermore, vocational training institutions in Gilgit-Baltistan are limited in number and scope, offering few specialized programs tailored to the needs of the tourism industry. Youth and women, in particular, face barriers to accessing skills development due to cultural constraints, poor infrastructure, and limited outreach of government programs (Ali & Karim, 2022). Without targeted interventions to develop a skilled tourism workforce—such as certified training programs, public-private partnerships, and entrepreneurship workshops—the region risks stagnating at the low-value end of the tourism value chain. Bridging the skill gap is essential for ensuring not only service quality and tourist satisfaction but also the long-term economic empowerment of local communities. The Lack of trained professionals in tourism and hospitality management.

### **Policy Recommendations**

#### **Integrated Tourism Policy**

An integrated tourism policy for Gilgit-Baltistan should align infrastructure development, environmental conservation, and community empowerment under a unified framework. It must promote coordination between federal, regional, and local authorities to avoid overlap and inefficiencies. The policy should support eco-tourism, cultural preservation, and year-round tourism to reduce seasonal dependency. Capacity building and inclusive planning must be central to ensure local benefit and ownership. A data-driven, transparent approach is essential for monitoring impact and ensuring sustainability. Develop a unified tourism strategy involving all stakeholders.

#### **Capacity Building**

Educate local young people as hoteliers, tour guides and businessmen. The tourism industry of Gilgit-Baltistan needs to undergo capacity building as an exercise and focus on the local skills and effectiveness of its institutions and the community. Hospitality, tour management, language skill training programs can make the local youth empowered and better service providers (Ahmed & Baig, 2021). It is also vital to empower the local governance systems and local tourist agencies to enforce the policies and make them compliant with the regulations. The public-private partnerships, as well as NGOs, may become major providers of vocational education and entrepreneurship services. Digital literacy, environmental awareness and disaster preparedness should also be a part of the long-term capacity building in order to have a competitive and resilient tourism industry.

### **Public-Private Partnerships**

The keys in opening up the tourism potential of Gilgit-Baltistan involve the use of public-private partnerships (PPPs) in the same way the government can provide support and the private sector can be efficient. With these partnerships, it is possible to maximize the improvement of infrastructure, including roads, hotels and tourist infrastructures and minimise the cost to the public sector (Ali & Karim, 2022). PPPs are also used to boost innovation and provision of improved services through the use of private finance and skills. Local communities can enjoy opportunities of job creation, training as well as having models of sharing profits through well-organized agreements. To achieve long-term success, PPPs should be transparent, participatory, and consistent with practices through sustainable tourism objectives.

### **Sustainable Tourism Practices**

The culture and dreadfully delicate ecology of Gilgit-Baltistan needs sustainable tourism activities to maintain it long-lastingly. This involves the empowerment of eco-tourism, reduction of wastes, controlling influx of tourists, and the consumption of renewable energy into providing hospitality services (Khan et al., 2021). Sustainability is also determined by the community-based forms of tourism where the locals have become empowered and there is fair sharing of the benefits. Natural resource protection through environmental education, personal codes of conduct, responsible trekking rules and conservation tour packages will exert pressure on protecting the resource. The policies should openly incorporate the sustainability principles to ensure economic growth does not outweigh the long-run integrity of the ecology.

### **Infrastructure Development**

An infrastructure development is the fundamental pillar that can help improve tourism in Gilgit-Baltistan bringing about improved access, connectivity, and facilitation of services. Road, airport, communication system and basic utility improvement is critical provision to accommodate the increasing number of domestic and foreign tourists. Nevertheless, the increase in infrastructure should occur in a sustainable manner without the destruction of the environment and the culture involved. With tourism demand-led and strategic environmental evaluations, long-term development of the region can be reaped.

### **Enable the Local Governance**

Giving autonomy to the local governance in Gilgit-Baltistan plays a significant role in developing responsive and inclusive tourism development. With decentralized

decision-making, the local governments will be in a good position to support the needs of the community, handle its resources, and ensure that there is effective enforcement of the tourism rules and regulations (UNDP, 2021). The reinforcement of locally-based institutions enjoys greater response, accountability, and participatory planning among the residents and interested parties. Having more administrative and financial independence, local organs will be able to invest in local-specific infrastructures, training, and conservation. The tourism industry enjoys local empowerment governance through trust, ownership and sustainability.

## **Conclusion**

Tourism has unimaginable potential to produce economic growth, generate jobs and to stimulate development in Gilgit-Baltistan. The region boasts of stunning landscapes, distinct culture heredity and adventure opportunities within its borders thereby establishing it as a natural tourist destination in South Asia. The growth of international and national tourist arrival to the country over the last few years has helped foster revenue earning, growth of small business and domestic entrepreneurship. Nevertheless, this development is lumpy and exposed to a number of structural and institutional flaws.

Among the bottlenecks that are thus identified, governance deficit is one, showing misplaced coordination, policy fragmentation, and absence of empowered tourism authority. In the absence of efficient regulatory frameworks and effective institution-based mechanisms, the positive impacts of tourism have failed to realize their maximum potentials, and also, they are not being conducted on a sustainable basis. Furthermore, national security issues and history of earlier accidents still affect the perception of tourists despite the current positive changes in law enforcement and administrative control. Safe environment should be followed by robust crisis management mechanism and open communication that instills confidence in the region which can be trusted again.

The tourism trend in Gilgit-Baltistan is also strengthened by climate sensitivity. Rising cases of glacial lake outburst floods (GLOFs), alteration of weather patterns, and Ecological degradation necessitate the need to incorporate climate-resilient practices in the planning processes of tourism. Failure to manage the situation sustainably can even expose the environmental resources, which are tourism magnets, to permanent damages. Thus, the issue of environmental protection should not be regarded as an independent agenda but as an essential principle of the tourism development policy.

In addition, performance Malaise and areas of skill shortages, as well as specific capacity building, have been revealed. Shortage of skilled workers, inadequacy of vocational training and accesses to technical education frustrate the growth of competitive and inclusive tourism industry. Added to this, the poor infrastructure and underdevelopment of public-private partnerships, even more cripples the capacity of the region to amass the economic growth through tourism. It would be necessary to bridge these gaps through strategic investment, inclusive governance and sound policy framework.

The realization of the complete potential of tourism in Gilgit-Baltistan needs a multi-dimensional 'integrated-sustainable policy strategy. These are enabling the local governance and improving on the aspect of the public-private partnership, environmental sustainability and investment in human as it is done in human capital.

Regional people oriented focused tourism policy will help Gilgit-Baltistan emerge as a role model of eco-tourism and balanced development. Tourism, when used correctly, may be a foundation of a long-term prosperity, stability, and cultural maintenance of this strategically significant part of Pakistan.

Tourism policy can help to develop the economy in Gilgit-Baltistan. It presents the high tourism potential of the region on the basis of its natural and cultural wealth, and at the same time it mentions some important issues that have to be addressed, including deficiencies in governance, security problems, position of the region in climate change, as well as infrastructure shortages. The paper highlights the significance of the development of skills, sustainable tourism operations and community based initiative in order to have an inclusive development. It also promotes local governments and encourages/enhances involvement of the public and the private sector in augmenting the service delivery and in long term planning. The paper has come to the conclusion that people-centered tourism policy can be successfully implemented to make Gilgit-Baltistan a self-reliant and thriving tourist destination.

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