

**Workshop on Environmental Management Practices in Hotel Sector in Sri Lanka, IPS Auditorium, 14 October 2014**

**Welcome and Introductory Address by Dr. Saman Kelegama**

It gives me great pleasure to welcome all of you to this important dissemination workshop on Environmental Management Practices in the Hotel Sector in Sri Lanka, organized by the Institute of Policy Studies of Sri Lanka, with funding assistance from the South Asian Network for Environmental and Development Economics – SANDEE.

We are indeed pleased to have with us Mr. B.M.U.D. Basnayake, Secretary, Ministry of Environment and Renewable Energy, to inaugurate this workshop and be our Chief Guest this morning. We are also pleased to have here today a number of experts related to the field of sustainable tourism in Sri Lanka, representing a number of government, non-government and private agencies.

As we all know, tourism is one of the most highlighted economic sectors after the end of the North/East war in May 2009. The Number of tourist arrivals to the country has been increasing since then. This has presented the country with a number of opportunities to increase and sustain its contribution to the national economy. We have already witnessed a growth in foreign exchange generation due to tourism. Tourism now has taken the third place in terms of foreign exchange earnings, following foreign remittances and textile and apparel exports.

Hotel sector has become a key sub-sector of tourism, which has received the attention of government in reaching its ambitious targets. Accordingly, it is expected to increase the number of hotel rooms to 50,000 by 2016. A number of hotels in existence are

undergoing refurbishment processes. Apart from the economic gains that can be reaped through this booming accommodation sector, it is vital to pay attention on its environmental management aspects. With the increasing number of tourist arrivals, the number of guest nights is also supposed to increase. This will have implications on energy consumption and water consumption in the hotels, significantly. Therefore, it is important that the sector takes appropriate measures to manage these resources sustainably. This is important not only from the environmental point of view, but also in terms of reducing cost of operation. In particular, cost of electricity is a significant issue faced by the hotels in Sri Lanka. Proper environmental management practices can help hotels to reduce their operational costs and increase their competitiveness. Also, this environmental orientation can be used as a market tool by the hotels.

However, there has been minimal or no research carried out on these aspects in Sri Lanka. Given the fact that tourism is increasingly becoming an important economic sector, the assessment of environmental sustainability issues of this nature are very much important. The IPS is proud to be able to shed some light on these research gaps through comprehensive research-based analysis.

Deliberations of today's workshop will focus on this very important topic of environmental management practices of the hotel sector in Sri Lanka. The deliberations will be based on a study carried out by IPS with funding and technical assistance from the South Asian Network for Development and Environmental Economics, over the past 2 years. We appreciate SANDEE's effort in helping researchers financially and technically to undertake this type of studies which provide important policy implications for sustainable development in Sri Lanka, as well as in the South Asian region.

During the deliberations of this half-day seminar, the findings of the IPS study will be shared among the key stakeholders who are present

here today. We hope that a fruitful dialogue will take place along the findings and policy implications that have come up through the study. However, this is not the first study that the IPS has undertaken on sustainable tourism in Sri Lanka. We published a comprehensive analysis of forest-based ecotourism a couple of years ago. IPS, as the apex economic policy think tank of the country, is also keen to undertake policy oriented research on sustainable tourism development in the future. The last session of the seminar focuses on discussing the areas where future research should focus on in promoting tourism in a sustainable manner in Sri Lanka.

Thus this dissemination workshop should not be considered as just an end of a research study. It will also help to network among the key stakeholders in sustainable tourism in Sri Lanka. It is heartening that we have representatives here today from environment, energy, water, waste management, etc., in addition to the tourism sector. We will need to have close collaborations with most of you in our future research and we expect your technical support in our future work also.

The IPS is indeed grateful for the financial and technical support of SANDEE for this research.

May I once again extend a warm welcome to all of you and hope that you will benefit from the deliberations of this workshop today.

I thank you.