2023 BUSINESS DIALOGUE

From So Sri Lanka to So Sustainable Sri Lanka

Understanding Sustainable Tourism

The concept of sustainable tourism has long been advocated as the only way forward for the global tourism industry both by academics and industry practitioners. Despite its increasing necessity many tourism practitioners are still uncertain about the actual operationalization of the concept. Sustainable tourism in layman's terms refers to "Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment, and host communities" (UNWTO, 2004). Simply put Sustainable Tourism is about finding a balance between the three pillars of economy, society, and environment (often referred to as the Triple Bottom Line) whilst operating the day-to-day proceedings of the industry.

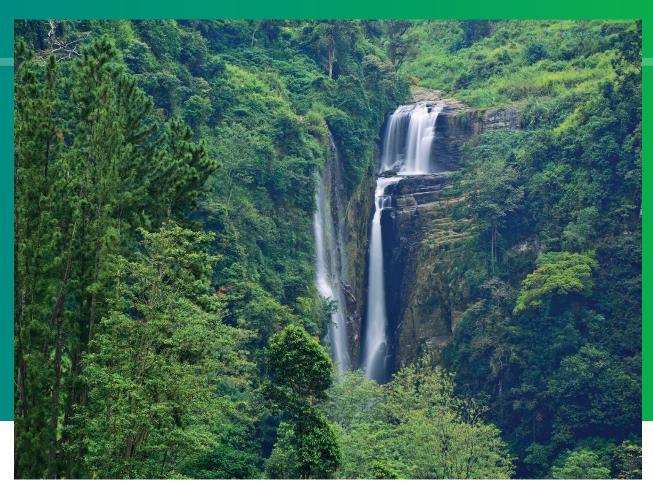
The challenge of achieving sustainable tourism

When you look at it from a definitive point, the concept remains relatively simple but achieving universal sustainability remains perhaps the biggest challenge faced by the global tourism industry in the contemporary context. The underlying problem of achieving sustainable tourism remains two-fold:

Firstly, the tourism industry's success heavily depends on the interdependency of the three







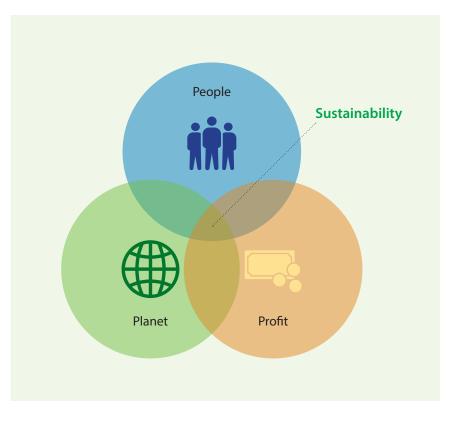




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pillars in the Triple Bottom Line. When you look at it from a broader perspective you can understand that the tourism industry's economic success depends heavily on the environmental and societal pillars. For example, Sri Lanka as a tourist destination will not be able to attract tourists to visit the country if we do not possess the amazing natural and built attractions ranging from azure beaches to breathtaking national parks that we have as a country. The tourist experience is further supplemented by Sri Lanka's unique and warm hospitality along with the unparalleled cultural capital the country possesses which represents the social pillar under the TBL. Hence, it is well evident that the economic success of the destination relies heavily on the sustenance of the environmental and socio-cultural capital in the country.

Secondly, there lies the inherent belief that economic development can't be fully achieved without compromising the environment and several societal factors at least up to a certain extent. This problem is deeply rooted not only in the tourism industry but across all industries globally due to what constitutes 'success' from an organizational/ industrial sense. For example, like many other destinations, Sri Lanka primarily measures its tourism industry success based on two indices, i.e., the number of tourism arrivals to the destination and the revenue generated from the tourism industry. From the outset, both these variables focus on broader economic prosperity, and when the focus is as such at a destination level, the same sentiment trickles down to all industry stakeholders within the destination leading to the entire industry focusing on achieving their economic goals sometimes at the



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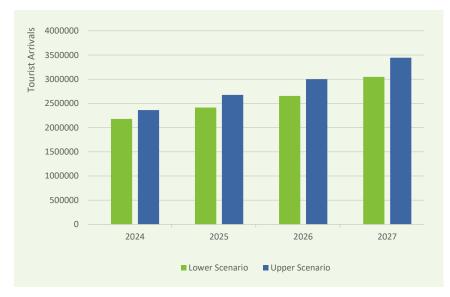


expense of the environmental and societal resources of the destination. To contextualize it very simply, say you are in charge of a premier national park in your destination that focuses primarily on the economic gains from tourism; you may end up selling experiences to the national park to incoming tourists without considering the carrying capacity of the park, the carbon emissions resulting from the excursions, the impacts on biodiversity and local community if you are adamant on economic success alone.

Sustaining Sri Lanka's Tourism Industry for the Future

Sri Lanka's tourism industry is currently at a unique crossroads. The industry has been given a second wind following multiple and consecutive setbacks in the forms of Easter bombings, the COVID-19 pandemic, and a prolonged economic crisis in the country. This year, Sri Lanka tourism is currently en route to record its most successful year (Between the 2019 -2023 period) with tourism arrivals set to exceed 1.5 million whilst generating over USD 2.7 billion in tourism revenue (Kamel, 2023). Moreover, as elucidated in the SLTDA forecasts in Figure 1 Sri Lanka is most likely to continue this growth trajectory for the foreseeable future with the industry even having an ambitious plan of reaching 5 million tourist arrivals annually in the midrun.

When you assess this strategic plan, it is evident that the industry's forecasted success is skewed toward economic objectives highlighting the broader sustainability-centric problem discussed in the previous section. However, given Sri Lanka's current economic circumstances, one can't simply discredit this strategic direction as the country



is currently banking heavily on the tourism industry to play a pivotal role in its overall economic recovery and progression. Hence, what the industry needs to investigate both from a strategic and operational perspective, is how we can strive towards these economic goals without compromising our environmental and socio-cultural resources.

There is a multiplicity of avenues that a destination can pursue in its journey towards being sustainable. On one hand, the importance of sustainability must be embedded into the minds of all tourism sector employees through comprehensive sustainability education programs as no policy would be achievable unless and otherwise it is implemented and followed by everyone participating in the industry. On another hand, it is also important for the industry to understand that achieving sustainability is a unified effort and therefore cross-company and cross-industry collaborations must be established to collectively strive towards sustainability as one destination. Additionally, the destination could also look into establishing mechanisms that allow any tourism industry practitioner to implement and systematically

monitor sustainability initiatives that fit their business based on the size and the scale of their organization. Ultimately, in the long run, Sri Lanka tourism could also go beyond these traditional approaches and focus on novel concepts such as regenerative tourism where the destination could look at creating net positive effects by increasing the regenerative capacity of human societies and ecosystems through the tourism industry than merely managing the social-ecological impacts whilst ultimately pursuing infinite economic growth under the banner of sustainable tourism (Bellato, Frantzeskaki, & Nygaard, 2022)

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