

IMPACT SHEET • SWITCH-ASIA PROJECT GREENING SRI LANKAN HOTELS

Hotels in Sri Lanka improving efficiency and embracing green credentials



**Helping Sri Lankan hotel sector achieve cost saving
of Rs. 250 million and create 25% new green products**



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The Challenge

There was a surge in tourist arrivals in Sri Lanka immediately after the conflict, with a record 46% growth in 2010 and total 'arrivals' surpassing 650 000. The Government was seeking to attract 2.5 million tourists by 2016. This required 45 000 hotel rooms although, when the project started, the country only had 22 735 rooms. The Government's development policy was committed to a sustainable tourism development strategy. However, the hotel industry was an energy-intensive, high-water-consuming sector. Its energy, water and waste management facilities were often poorly operated and maintained and, in most instances, there was little awareness of the losses and inefficiencies prevailing in the systems. With rising fuel costs, higher electricity bills, lack of capacity for power generation, and unseasonably warmer climates, the industry faced new challenges in reducing its operational costs.

Objective

The SWITCH-Asia *Greening Sri Lankan Hotels* project sought to enhance the environmental performance of Sri Lankan hotels by improving their energy, water and waste management systems.

The specific objectives were:

- Improvement of energy, water and waste management efficiencies of Sri Lankan Hotels and associated reductions in the operation costs;
- Greening the supply chain;
- Increase in the market acceptance of hotels by promoting them as green hotels with a low-carbon footprint.



TARGET GROUPS

- 350 participating small and medium-sized hotels
- 200 main suppliers
- Hotel customers and tour operators

Activities / Strategy

The project conducted awareness-raising seminars, technical training workshops, walk-through audits, press interviews and conferences, eco-vendor meet marts, maintained and updated its website, and provided in-house technical assistance for the beneficiaries.



Improving Environmental Performance

Walk-through audits were conducted for the registered hotels. In such exercises, energy, water and waste management practices were analysed and recommendations provided for ways in which the hotels could improve their environmental performance. Baseline data and monthly consumption data submitted by the hotels had enabled performance monitoring. The project provided advisory services, training, and technical assistance to hotel managers and their staff in order to set up management systems for natural resources. These systems helped to empower the hotel sector at large, to manage their resource optimally in the longer term. By disseminating success stories and lessons learnt, the project further motivated other tourism enterprises to follow suit.



Greening the Supply Chain

The project addressed around 200 main hotel suppliers to improve their competitiveness and profitability within the broader aim of greening the entire supply chain. Eco-vendor meet-marts were held to provide access to green products and to create market opportunities for 'green solution' suppliers.



Promoting Green Hotels in International Markets

The project's participation in international tourism fairs, and workshops on sustainable tourism, and its endeavours to sensitise tour operators and other trade bodies in both Sri Lanka and Europe helped promote Sri Lankan hotels and their new green image.



Scaling-up Strategy



Peer-to-peer Communication

The project worked closely with nine hotels, each representing a major tourism-dominated region, to showcase the benefits of having management systems for natural resources. Highlighting these hotels also encouraged peer communication amongst their owners, which, in turn, encouraged many more hotels to replicate the successful achievements of the project. To disseminate project information and to attract recognition, an Annual Award Scheme for the most environmentally friendly hotels was established.



Engaging Tourists and Tour Operators

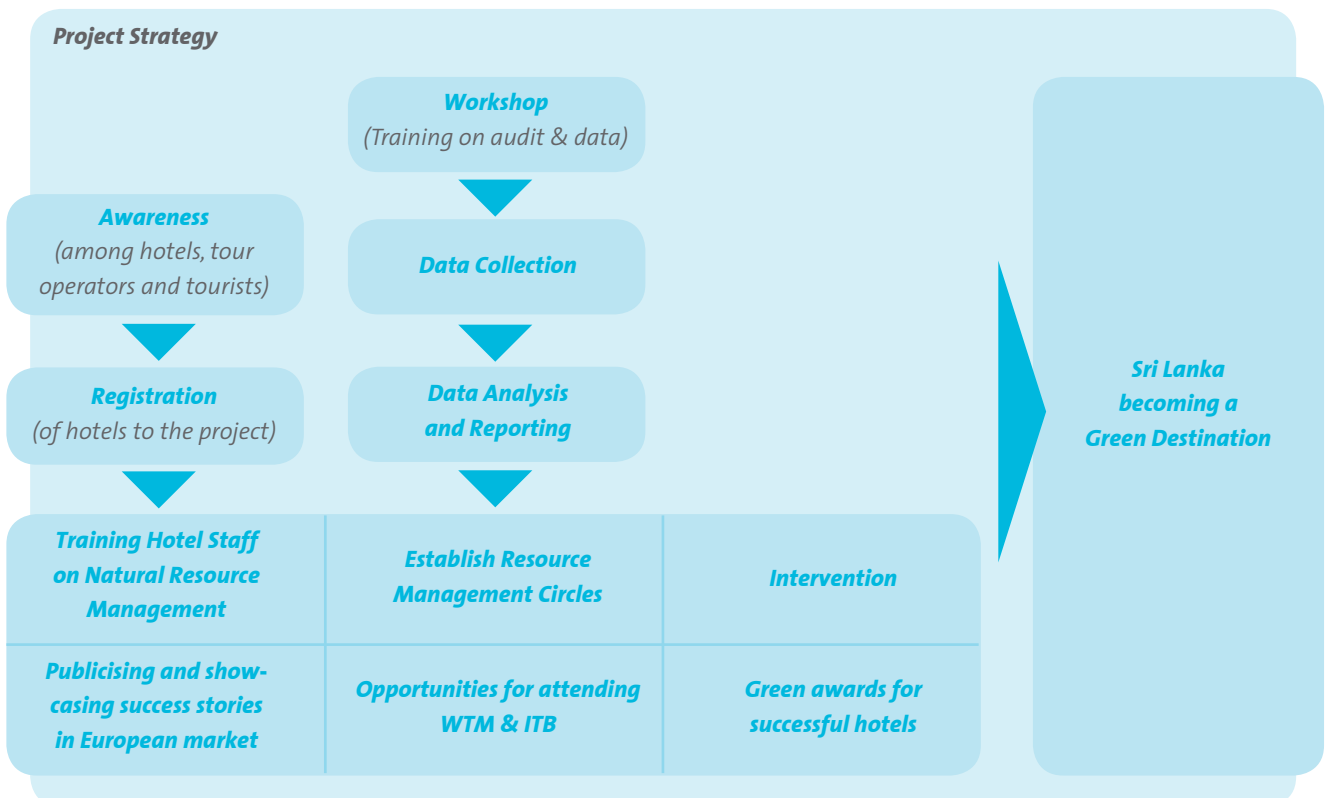
Tour operators were considered to be the main stakeholders since they could influence tourists to patronise hotels that practise sustainable consumption and production (SCP). The project team met tour operators at the World Tourism Market (WTM) 2011 to sensitise them to the greening efforts of the Sri Lankan hotels registered with the project. The project also conducted an awareness seminar in Colombo for resident managers and travel agents of key tour operators, and subsequently followed up with their contracting managers. The project engaged tourists using specially developed tools to solicit their cooperation for the resource conservation efforts of the hotels. Such efforts included tent cards for towel and linen re-use programmes,

or switching off unnecessary lights. The project provided a certificate to all participating hotels for display in a highly visible area, requesting guests to cooperate with the hotel's conservation initiatives.



Green Certification Scheme – Motivation with a Voluntary Self-regulatory Mechanism

The project worked with the Sri Lanka Tourism Development Authority to develop a voluntary certification scheme for hotels, to ensure that sustainable operations would be recognised by tourists, tour operators and government institutions. With such a certification scheme, hotels were motivated to self-regulate through the adoption of international best practice.



Results



Comprehensive Database of Tourist Hotels

The project set up a comprehensive database of hotels in Sri Lanka, which provided information per region, classification and number of rooms. The project acquired data from approximately 70% of the registered hotels. Data showed that about 80% of hotels were aware of the benefits of energy-efficient lighting. However, due to financial constraints and lack of technical knowledge, old and inefficient air conditioners and other equipment were still used. Less attention was devoted to water and waste management due to poor financial incentives.



Project Website

The website gave information to the public about the project activities and the registered hotels. It also provided a password-protected members' area where resource consumption data could be submitted by the hotels and reports generated on consumption patterns so the hotels could self-monitor their performance. This also enabled the development of benchmarks for different categories of hotels.



Technical Recommendations Implemented by Hotels

The project conducted awareness seminars in all nine regions resulting in 179 hotels registering with the programme. Walk-through audits were carried out in 88 hotels, comprehensive cleaner production audits in five hotels, and detailed energy audits in five hotels. The project provided advisory support to the registered hotels and supported those that requested further technical assistance



This is possibly the first ever project of this nature which reaches out to the hotel industry in Sri Lanka, to help the hotels methodically work towards reducing their energy and water consumption and waste management, by building a business model with identified financial savings. It is also a very timely initiative, as tourism in Sri Lanka is showing significant growth but energy costs are rising exponentially, somewhat negating the good results. The project also helps showcase good work internationally, greatly improving Sri Lanka's market standing as a sustainable tourism destination.



Mr. Srilal Miththapala,
Project Director



in implementing sustainable consumption practice, such as the selection of energy efficient equipment and wastewater treatment plants, installation of biogas plants, waste recycling opportunities, forming resource management teams and staff training on best practice.



The Greening Sri Lankan Hotels Project helped our business in a number of ways. After the project team visited our hotel we were able to implement 'greener' measures across 80% of our operations. A feasibility study helped us identify water and energy wastage, which was attended to immediately. The project gave us many ideas that we can apply to our operations and is helping us to make changes without reducing the quality of our services for customers. I have already seen some behavioural and attitude changes among the staff.

Mr. Marius Perera,
General Manager,
Sigiriya Village PLC Sigiriya



Addressing the International Market









With frequent meetings, presentations and speeches at the International Travel Foundation Annual Meeting, World Travel Market (WTM) and the ITB (International Tourism Fair Berlin), the project addressed tour operators while advertising Sri Lanka as a sustainable tourist destination. To help hotels engage their guests in the 'greening efforts', the project developed and issued a certificate for the registered hotels.



Green Certification Scheme Developed

Due to its well-known engagement in sustainable tourism, the Ministry of Tourism requested that the project produce a draft of Green Certification Scheme for hotels registered with the Sri Lanka Tourism Development Authority (SLTDA). SLTDA would provide incentives in a form of reduced annual registration fees for hotels certified under this scheme. This was a voluntary scheme that gave recognition to hotels for their environmental efforts and provided them with a marketing advantage.

Impact in Numbers

Economic Impact 	<p>Improvement of business, more efficient resource use and sustainability for the small and medium-scale tourist hotels. This brought about:</p> <ul style="list-style-type: none"> • Saving approx. Rs.250 million or equal to EUR 1.5 million (average of Rs.18 per 1 KWh) • 25% new green products • Market's better acceptance toward tour operators and hotels adopting SCP practice • Suppliers' awareness to adopt SCP practice, while guests and tour operators became aware of the initiative • Self-contained biological sewerage treatment plant introduced and solar PV installed in several hotels 	Target group Engagement 	<ul style="list-style-type: none"> • The project conducted awareness seminars in all 9 regions resulting in 282 out of 365 hotels registering with the programme. • Walk-through audits were carried out in 88 hotels, comprehensive cleaner production audits in 5 hotels, and detailed energy audits in 5 hotels. • Promotion of Sri Lanka as a green destination among tourists • Addressing 365 hotels to increase their environmental performance • Addressing suppliers to the hotels to improve their environmental performance • Awareness-raising among customers • Training on natural resource management was conducted for 8 regions and a total of 62 hotels participated. • Organised more than 25 events, including Green Accreditation Scheme; exposure to World Travel Market, International Tourism Fair Berlin, SWITCH-Asia networking programmes, and workshops • Engaged with Sri Lanka Tourism Development Authority, The Hotels Association of Sri Lanka, Association for Small and Medium Entrepreneurs, and Ministry of Tourism
Environmental Impact 	<ul style="list-style-type: none"> • Reduced energy use by 8.29% or 14.22 million Kwh • Reduced waste water discharge by 14.2% or 280 000 cbm • Reduced solid waste by 20% or 710 000 kg • Solar water heaters, key card switches, power factor correction, and LED lighting installed 		
Social Impact 	<ul style="list-style-type: none"> • Through individual training sessions, awareness programmes and media, the project reached out to a wider public 		
Climate Benefits 	<ul style="list-style-type: none"> • Reduced GHG emissions by approx. 8 958 MT (based on Sri Lanka's hydro-thermal mix) • The project brought about changes in the way Sri Lankan tourism industry operates by introducing alternative / environment-friendly technologies 		
Green Finance 	<ul style="list-style-type: none"> • Engaged with Hatton National Bank, World Bank, and Sustainable Tourism Fund to explore potential green funding for SMEs • About 10 SMEs benefitted from better access to finance 	Policy Development 	<ul style="list-style-type: none"> • Organised five policy dialogues with the Ministry of Tourism • The project promoted green Sri Lankan hotels by engaging in policy development, i.e. the new Green Accreditation Scheme, and Environmental Guidelines for New Hotel Developments
		Europe-Asia cooperation 	<ul style="list-style-type: none"> • Organised three events and two study tours with European and Asian participants • Conducted joint awareness programmes on International Green Accreditation Scheme together with Travel Life, and Annual Green Awards (for two years) • Joined the Travel Life conferences on the importance of SCP practice to market tourism destinations and hotels



Legend

- ☒ Eligible countries where SWITCH-Asia projects are implemented
- ☐ Eligible Asian countries for the SWITCH-Asia programme
- ☐ Non-eligible Asian countries for the SWITCH-Asia Programme

Project implementation area

- ☒ City
- ☐ Region
- ☐ Country

The boundaries shown on this map do not imply on the part of the European Union any judgment on the legal status of any territory or the endorsement or acceptance of such boundaries.

OBJECTIVES

The *Greening Sri Lanka Hotels* project sought to enhance the environmental performance of Sri Lankan hotels through an improvement in the energy, water and waste management systems, a reduction in the cost of operations and an increase in market acceptance of Sri Lankan hotels by promoting them as low-carbon footprint 'green' hotels.

DURATION



PROJECT TOTAL BUDGET

EUR 1 829 828
(EU contribution: 80%)

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