Government of Sri Lanka

NATIONAL EXPORT STRATEGY OF SRI LANKA

WELLNESS TOURISM STRATEGY

2018-2022

The National Export Strategy (NES) of Sri Lanka
is an official document of the Government of Sri Lanka

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This Wellness Tourism Strategy was developed on the basis of the process, methodology and technical assistance of the International Trade Centre (ITC) within the framework of its Trade Development Strategy programme.

ITC is the joint agency of the World Trade Organization and the United Nations. As part of the ITC mandate of fostering sustainable development through increased trade opportunities, the Chief Economist and Export Strategy section offers a suite of trade-related strategy solutions to maximize the development payoffs from trade. ITC-facilitated trade development strategies and road maps are oriented to the trade objectives of a country or region and can be tailored to high-level economic goals, specific development targets or particular sectors.

Technical assistance for the design of this document was provided by Charles Roberge, Alexandra Golovko, László Puczkó, Chullante Jayasuriya, and Marcelo Di Pietro Peralta (WIPO).

Financial support was provided by the European Union, as part of the 'European Union – Sri Lanka Trade Related Assistance: Increasing SMEs' trade competitiveness in regional and European Union markets' project. The contents of this document can in no way be taken to reflect the views of the European Union.

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NATIONAL EXPORT STRATEGY OF **SRI LANKA** 2018-2022

WELLNESS TOURISM STRATEGY


Photo: Alexandra Golovko (ITC)

MESSAGE FROM THE INDUSTRY

Wellness tourism is now a much sort after facet of tourism. Consumers are increasingly conscious of integrating health aspects to their tourism and to explore traditional wellness methods. Sri Lanka's geographical positioning and existing culture of tourism, coupled with its natural endowments and cultural attributes, make it ideally positioned to benefit from these trends. These natural and cultural endowments will be hugely beneficial in Sri Lanka's aspirations to harness a sustainable wellness tourism value chain that is deeply rooted in local communities and traditions.

Wellness tourism therefore is a sector with a lot of potential to contribute to providing employment to local communities and ushering in regional and collective prosperity.

In recognition of the significant potential of the Wellness Tourism sector, this sector has been chosen as a priority sector of the National Export Strategy. Established through a consultative process involving both public and private sector stakeholders, this strategy will span for a period of five years. The National Export Strategy seeks to make Sri Lanka an export hub driven by innovation & investment. The strategy for the Wellness Tourism sector aligns very well with the overall aspirations of the National Export Strategy. This strategy for wellness tourism therefore seeks to make Sri Lanka the 'preferred destination for wellbeing' in the region.

Sri Lanka's wellness tourism sector remains to be an industry in its very early stage of development with a focus on traditional medicine. This is complemented by a separate segment focused on Western medicine. Industry professionals are conscious that the growth of the industry must be suitably complemented with progressive regulations. Unregulated fast development can lead to low-investment operators who could create a negative image for the sector.

The Strategy's main focus will be on wellness offerings for health-related tourism but tourism offerings focused on western medicine will be examined, although to a lesser extent, in order to identify the most pressing requirements in that segment. The objective of this Strategy is to establish a clear framework to guide the nascent Sri Lankan wellness industry's development so that the country becomes the preferred destination for well-being.

The National Export Strategy will seek to establish Sri Lanka as a prominent hub for Wellness Tourism in the region. Stakeholders of the Wellness Tourism sector consider the National Export Strategy as a policy that has been long awaited. Stakeholders remain committed to the effective implementation and monitoring of this strategy to contribute towards furthering the great potential of this industry to reach new heights.

Prof. Lal Chandrasena
President
Private Hospitals Association

ACKNOWLEDGEMENTS

The Wellness Tourism Strategy was developed as part of the National Export Strategy (NES) of Sri Lanka, under the aegis of the Ministry of Development Strategies and International Trade and the Sri Lanka Export Development Board (SLEDB), with the financial support assistance of the European Union, as part of the *'EU-Sri Lanka Trade Related Assistance: Increasing SMEs' trade competitiveness in regional and EU markets'* project.

The document benefited particularly from the inputs and guidance provided by the members of the wellness tourism sector core team that steered the formulation of the sector Strategy, namely:

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The full list of public and private stakeholders that contributed their precious time to the design of this Strategy are detailed in Appendix 1.

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ACRONYMS

The following abbreviations are used:

AMCHAM American Chamber of Commerce
ASMET Association of Small and Medium Enterprises in Tourism Sri Lanka
BOI Board of Investment
CCC Ceylon Chamber of Commerce
CHSGA Ceylon Hotel School Graduates Association
CTGLA Chauffeur Tourist Guide Lecturers Association Sri Lanka
DA Department of Ayurveda
DoIE Department of Immigration and Emigration
ECCSL European Chamber of Commerce Sri Lanka
GCC Gulf Cooperation Council
H2H Hospital-to-hotel
IWSTM International Wellness, Spa and Travel Monitor
JCI Joint Commission International
MODSIT Ministry of Development Strategies and International Trade
MoHNIM Ministry of Health, Nutrition and Indigenous Medicine
MoTDCRA Ministry of Tourism Development and Christian Religious Affairs
MTQUA Medical Tourism Quality Alliance
NCCSL National Chamber of Commerce Sri Lanka
PoA Plan of action
PHSRC Private Healthcare Services Regulatory Council
R&D Research and development
SLAITO Sri Lanka Association on Inbound Tourism Operators
SLC Sri Lanka Customs
SLCB Sri Lanka Convention Bureau
SLEDB Sri Lanka Export Development Board
SLITHM Sri Lanka Institute of Tourism & Hotel Management
SLTDA Sri Lanka Tourism Development Authority
SLTPB Sri Lanka Tourism Promotion Board
TAASL Travel Agents Association on Sri Lanka
THASL The Hotels Association of Sri Lanka
UDA Urban Development Authority
UNESCO United Nations Education, Scientific and Cultural Organization
WIPO World Intellectual Property Organization

EXECUTIVE SUMMARY

The goal of Sri Lanka's Wellness Tourism Strategy is to develop the sector strategically by addressing constraints in a comprehensive manner and by defining concrete opportunities that can be realized through the specific steps detailed in the Strategy's Plan of Action (PoA). The wellness tourism strategy is an integral part of Sri Lanka's National Export Strategy (NES).

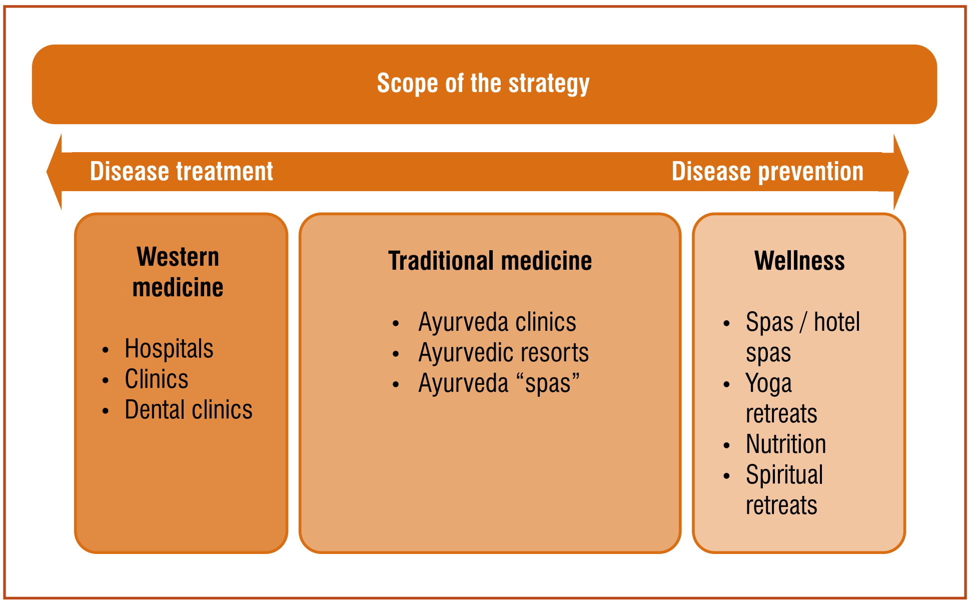
'Wellness' is a buzzword in the tourism sector and beyond. As a global phenomenon, 'wellness' can come in many different forms. International travellers with wellness (or health) in mind look for services that are based on local traditions and natural assets. There is growing demand for hotels with a health orientation, as well as for facilities with a well-defined specialization or concept.

Sri Lanka has strategic advantages for the development of its wellness tourism sector. There is a clear synergy between global trends and Sri Lanka's traditional health approaches. The country has natural and traditional endowments that can be used to foster a sustainable wellness tourism value chain that is deeply rooted in local communities and traditions.

Currently, Sri Lankan wellness tourism remains a nascent industry, focused on traditional medicine. It is complemented by a connected but separate segment focused on western medicine. Sector growth is private sector-led, with companies already aware of the demand for Ayurvedic wellness offerings and developing products in this segment. The fast-paced development of the overall tourism sector also offers a favourable environment in which companies can focus on wellness. However, this organic development is sometimes harmful, as it favours opportunistic, low-quality and low-investment operators that create a negative image, not only for the sector but for the country as a whole.

The wellness and medical segments of the tourism industry have very different characteristics and markets and will be handled separately in this Strategy, but the likely links between the two segments will be addressed. The Strategy's main focus will be on wellness offerings for health-related tourism but tourism offerings focused on western medicine will be examined, although to a lesser extent, in order to identify the most pressing requirements in that segment. Figure 1 presents the scope covered by the Strategy.

Figure 1: Scope of the strategy



The government has not yet had time to develop the necessary support, policies and regulations to frame the industry. Although the sector was prioritized in the recently developed Vision 2025 and the Tourism Strategic Plan 2017-2020, there are no specifically targeted activities for the wellness sector set out in those policy instruments. Most issues reported by companies in the wellness industry are related to institutional and regulatory frameworks, or the lack thereof. This shows again that the sector, stimulated by international demand, has been developing organically, but with very limited support from public institutions.

Growing the sector will require the development of new holistic and high-value offerings that cater to new markets. These new offerings could include brand development for entire regions, adaptation of the wellness or medical (healing) approach to settlements or communities or even small-scale and simple developments such as 'herbal gardens', based on the Japanese concept of shinrin-yoku. Potential new markets include Eastern Europe, the Russian Federation, Gulf Cooperation Council countries (GCC) and business cities in the Far East and Australia. Western medicine products could focus on new regional markets such as Pakistan, Central Asian countries or Indonesia, and could even target selected European countries such as the United Kingdom and the Netherlands. However, this will require substantial investment in research and innovation, branding and intellectual property (IP) protection, among other areas, which all require coordinated action by sector stakeholders as well as stronger institutional support.

Stronger institutional intervention is the only way to ensure the sector reaches the desired vision. In the worst case, opportunistic activity could have a durable negative impact on the country's image as a destination and as a supplier. It is urgent that institutions take action to understand the sector and support it accordingly. A solid framework for the sector needs to be established for governance, quality assurance, regulation and well-targeted promotion. This will allow the country to develop wellness services that are widely known and of high quality, while being sustainable and symbiotic with the local population.

The following delineates the proposed vision and strategic approach in this Strategy. This vision statement was agreed upon by all stakeholders in the wellness tourism value chain in Sri Lanka:

> "Sri Lanka: the preferred destination for well-being"

The Plan of Action (PoA) responds to this vision by addressing the sector's constraints and leveraging opportunities in a comprehensive manner. Extensive efforts will be made to meet the following strategic objectives:

Strategic objective 1: Develop coordination in traditional and western health tourism	• The first objective concentrates on sector coordination and cohesion. Both the traditional wellness and the western medicine segments require clusters to organize and improve cooperation of stakeholders.
Strategic objective 2: Set up a quality assurance system for wellness and traditional health systems	• The second objective focuses on regulation and quality assurance through standardization, licensing of activities, recognition of traditional healing in target markets and streamlining of institutional procedures.
Strategic objective 3: Build information about the Sri Lankan health tourism sector and about its target markets	• The third objective focuses on gathering more information on the sector through more effective collection of statistics and on sharinging sector information, both to the local population and to customers in target markets.

The objective of this Strategy is to establish a clear framework to guide the nascent Sri Lankan wellness industry's development so that the country becomes the preferred destination for well-being. Achieving this ambitious objective will depend on the industry's ability to implement the activities defined in this Strategy, and it is recommended that the following interventions be implemented with priority:

- Strengthen the institutional framework governing the wellness tourism sector and its policies;
- Build the operational, business and innovation capabilities of sector operators; and
- Establish the required regulatory framework to ensure the quality of wellness-related services.

These immediate quick-win activities are necessary to successfully initiate the Strategy's implementation and to create rapid industry growth. Key to achieving these targets will be coordination of activities, progress monitoring and mobilization of resources for implementation. A public-private 'advisory committee' for the wellness tourism industry was established, operationalised and empowered in order to carry out these tasks.

WELLNESS CONCEPT IS TAKING OVER TOURISM GLOBALLY

Wellness became a global buzzword in the 2010s. Wellness may seem an invention of this decade but in Sri Lanka cultural and spiritual heritage, practices and resources have been used for the well-being of the local population for hundreds of years. Wellness in Sri Lanka is not a new phenomenon but it was not necessarily called wellness before.

It is important to note that the health tourism market is showing increased interest in natural and traditional approaches overall. This is true not only for wellness but also in healing, medical interventions, gastronomy and lifestyle areas. These market trends are very relevant for Sri Lanka, given its rich cultural tradition and heritage as well as its abundant natural assets.

The growing interest in and demand for wellness services is a favourable global trend for the development of this industry in Sri Lanka. Many countries and destinations are defining themselves as wellness tourism destinations but most do not have Sri Lanka's rich cultural and wellness lifestyle-based heritage.

Wellness tourism has several definitions. The one that should be applied for Sri Lanka is:

> Tourism which aims to improve and balance all of the main domains of human life including physical, mental, emotional, occupational, intellectual and spiritual.

Two subsets of wellness tourism are especially relevant to Sri Lanka:

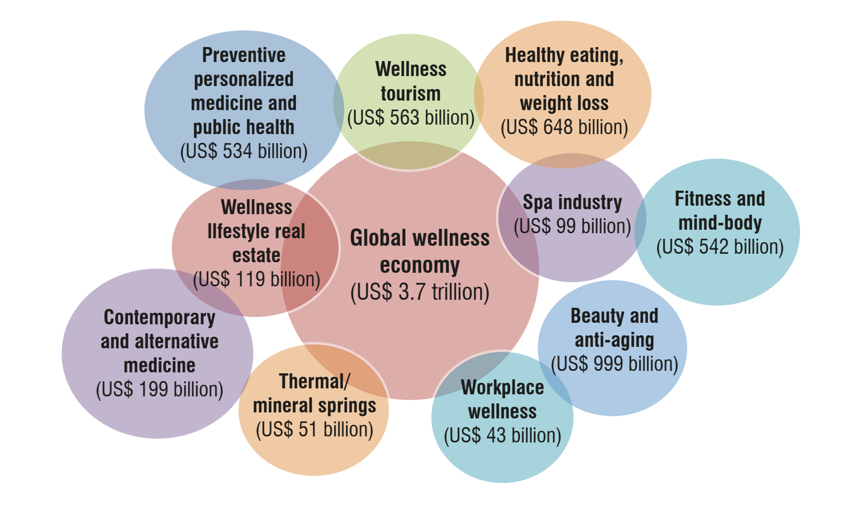
- Holistic tourism is based around alternative and complementary health and healing treatments and therapies aimed to balance body, mind and spirit.
- Spiritual tourism focuses on the search for higher meaning and transcendence and the connection to oneself and the universe. This can involve visits to spiritual sites, landscapes or retreats, as well as activities like yoga and meditation.

Photo: Alexandra Golovko (ITC)

These two wellness categories can be the foundations for globally competitive wellness tourism offerings in Sri Lanka. The standard wellness tourism product is provided in resort or hotel environments. It builds on body and facial therapies and wet areas such as steam rooms and saunas, and tends to focus on pampering and relaxation. This wellness product has become global and can be found in most countries. Sri Lanka needs to find and define its own wellness directions that puts the country in a competitive position and can be attractive in the Asian region and beyond.

The holistic and spiritual domains of wellness tourism are considered niche markets. Such products may not be marketed and sold as bulk bookings; instead, they are marketed through very focused sales channels. Guests looking for holism and spiritual services and programmes often are well informed. They represent a small but loyal and dedicated segment who are happy to sacrifice certain aspects of their trip (for instance, travel time or comfort) in order to have true holistic or spiritual experiences and to be in that environment. This quality in these travellers is exceptionally important for Sri Lanka, since they are not looking for traditional 'luxury' and comfort in any part of their journey: they are looking for authenticity, and Sri Lanka certainly has that. `

Figure 2: Global wellness economy (2015)



Source: ITC, based on Global Wellness Institute estimates, https:/ /www.globalwellnessinstitute.org/industry-research/.

Increasing interest is paid to what wellness is and how large the business may be. The Global Wellness Institute has published series of estimates on the size of wellness industry and on wellness tourism during 2013-2015. These figures are more indicative than definite, but the size of the wellness industry remains impressive (Figure 2).

The Global Wellness Institute made estimates about wellness tourism spending as well. Table 1 shows that the two largest markets are North America and Europe. Asia-Pacific is listed as third largest market, but the region delivers about half of Europe's performance.

Based on the number of wellness trips (which include both trips that are trips primary for wellness activities and trips for other reasons, such as business or culture, during which travellers took at least one wellness treatment), Europeans, who primarily travel within Europe, are the group that travels the most for wellness reasons and that looks most often for wellness services during stays which are not wellness focused.

There is very limited information about holistic or spiritual trips, since these are considered to be niche products. Travellers with holistic and spiritual interests prefer secluded and quiet destinations and look for retreats and small-scale providers. Retreats can concentrate on different areas, such as:

- Aromatherapy
- Ayurveda
- Reiki
- Reflexology
- Outdoor and adventure
- Counselling
- Nutrition
- Yoga
- Meditation
- Creative arts
- Eco-retreats.

Table 1: Estimates for the total wellness tourism industry (2013-2015)

	Number of Trips (millions)		Expenditures (US$, billions)	
	2013	2015	2013	2015
North America	171.7	186.5	195.5	215.7
Europe	216.2	249.9	178.1	193.4
Asia-Pacific	151.9	193.9	84.1	111.2
Latin America/Caribbean	35.5	46.8	25.9	30.4
Middle East/North Africa	7.0	8.5	7.3	8.3
Africa	4.2	5.4	3.2	4.2
Total wellness tourism industry	586.5	691.0	494.1	563.2

Source: Global Wellness Institute. https://www.globalwellnessinstitute.org/industry-research/

Note: These figures combine international/inbound and domestic wellness tourism spending and also include primary and secondary wellness trips.

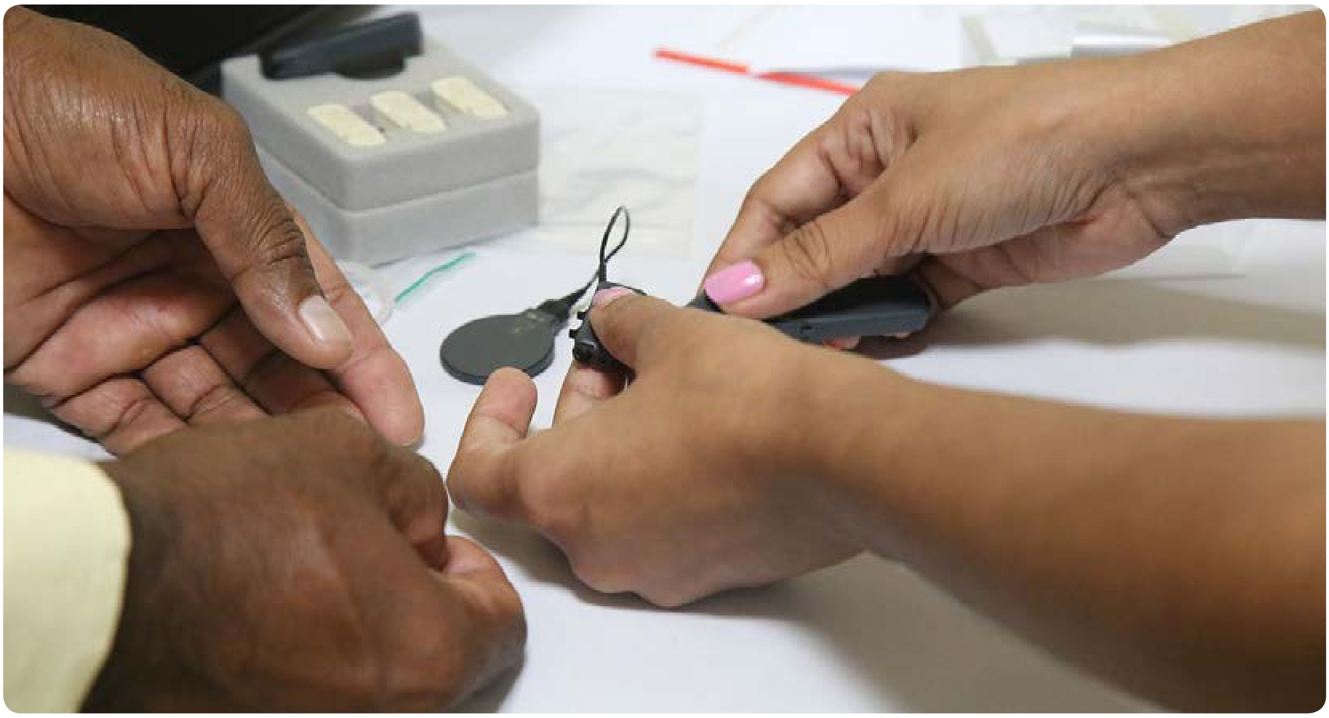


Photo: ITC

Most of these specialisations already are offered in Sri Lanka. Holistic and spiritual tourism providers are expected to be small and medium-size enterprises that can be in direct contact with their guests. What prospective and current guests look for are clear benefits they can enjoy and receive during their visits. Refining product definitions, brands and related communications can improve both guest satisfaction and operators' performance.

As Figure 3 summarizes, success factors for the Wellness Tourism Strategy should be articulated around redefining how wellness is considered. Sri Lanka must look beyond traditional wellness and wellness tourism approaches.

Figure 3: Success factors for Sri Lanka's wellness tourism industry

W	• Wellness is about much more than just spas
E	• Ecological and green products and services
L	• Local assets (such as natural assets, traditions, rituals)
L	• Lifestyle and wider access, democratisation of product
N	• New, cross-over and fusion products and services
E	• Evidence-based wellness services
S	• Spirituality
S	• Segmentation and winning new segments

Source: Puczkó, (2016).

To summarize wellness tourism trends, we can say that:

- Wellness is popular and has become global;
- Wellness seems to be the commodification of the concept of well-being (in many instances); and
- There has to be a clear definition of the benefits of a wellness trip – general relaxation and pampering may not be enough anymore.

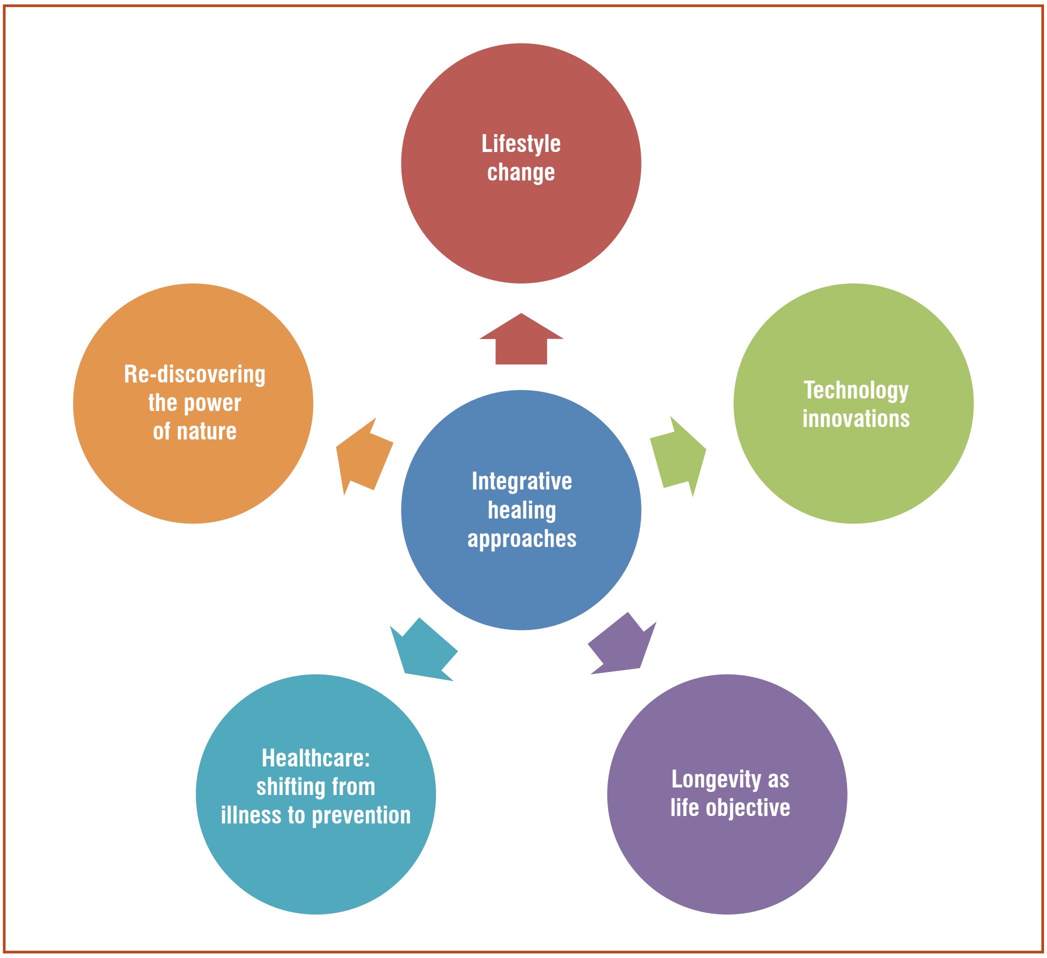
The market has three major development directions:

1. Generalization – wellness attributes are associated with everything from shoes to hotels.
2. Localization – (re)discovery of local assets in wellness and lifestyle (for instance, natural resources such as thermal springs and traditional healing such as traditional Chinese medicine).
3. Fusion – combining various elements and assets to create something innovative, creative and attractive (for example, hydrotherapy combined with Ayurveda becomes aquaveda).

Sri Lanka has to find opportunities in all three directions. The country has resources, tradition and opportunities for all three types of product development that it should capitalize on.

Sri Lanka can best develop successful approaches for marketing its wellness offerings by considering what is at the core of the concept of well-being. Wellness refers to a state of being or a feeling which is achieved by connections with family or community, with an emphasis upon making the best of life through self-contentment and less stress. Given the key trends in integrative healthcare approaches (see Figure 4), Sri Lanka has several competitive options and advantages, since the power of nature has long been utilized and traditional healing has long been practised in the country. Such practices can support preventive health activities, since these often entail lifestyle changes, too. The growing interest in prevention and the rediscovery of the natural healing qualities of nature and traditions all support the integrated development of wellness and medical tourism in Sri Lanka.

Figure 4: Concepts of integrative healing approaches



Source: Puczkó, (2017).

Medical tourism should not be completely separate from wellness tourism development or management. Invasive interventions certainly require different considerations and management than wellness services. There are, however, other forms of medical tourism – such as plastic surgery, non-invasive interactions or evidence-based medicine – in which the lines between the medical and wellness arenas are not as clear-cut and defined. Guests may want to include evidence-based medicine as part of structured and focused wellness packages, whereas medical tourists may also take wellness options before or after their medical intervention. The cooperation between wellness services and medical services needs to be well defined and managed to achieve optimal results.

In terms of product and service development, there are international benchmark data that can support planning and strategy formulation. The key to success is to be creative in adapting major trends to the given assets and circumstances.

The 2017 edition of the International Wellness, Spa and Travel Monitor (IWSTM), which is a global benchmark report on the subject, suggests that international travellers with wellness motivations already prefer destinations and services that are based on local resources and traditions as well as products and services that are built on natural and organic elements and materials, as seen in Table 2. This emphasis on tradition and local resources is a favourable trend in the global market for Sri Lanka, as is the fact that natural and organic product-based services are also popular for guests.

Table 2: Current guests' preferences in wellness services

	Natural based therapies	Services based on local resources and traditions	Thermal experiences	Natural and organic product-based services	Healthy options and services
Local guests	3	4	2	1	5
Domestic guests	2	3	1	4	5
Foreign guests	5	1	4	2	3

Source: The Tourism Observatory for Health, Wellness and Spa, (2017).
Note: Numbers in the rows indicate the relative preference of each alternative. The top five alternatives only are listed; the numeral 1 indicates the most popular alternative. Circles indicate the alternatives most relevant for Sri Lanka.

In terms of growth potential, the IWSTM suggests that workshops focusing on balancing body, mind and spirit, as well as services based on local resources and traditions, are expected to remain popular with wellness-minded travellers as seen in Table 3.

Table 3: Forecasted guests' preferences in wellness services

	Natural elements based therapies	Complementary, alternative therapies	Body-mind-spirit/holistic workshops	Active and anti-ageing/ longevity workshops	Services based on local resources and traditions	Healthy options, services
Local guests	2	3	1	4		5
Domestic guests	2		1	4	5	3
Foreign guests		5	3	4	1	2

Source: The Tourism Observatory for Health, Wellness and Spa, (2017).
Note: Numbers in the rows indicate the relative preference of each alternative. The top five alternatives only are listed; the numeral 1 indicates the most popular alternative. Circles indicate the alternatives most relevant for Sri Lanka.

Looking at general market trends, facilities that adapt a health orientation (and which are called healthy hotels in the accommodation sector or healthy options in services) tend to garner more interest and attention. This trend relates to hotels and resorts that provide a wide range of options for guests to lead a healthier lifestyle during their stay. This is the least intensive segment of the wellness sector, since any guest can choose these services: they do not need to be wellness-motivated guests. Especially in the medium and long-term, the healthy hotel product can be relevant for Sri Lanka. As feng shui can be used in the development of commercial facilities (such as spas or hotels), Ayurveda could also be considered as a general driving principle for accommodation providers, This could lead to Ayurvedic-specific hotels or Ayurveda principles could be adapted by healthy hotels to define guest benefits and operational standards.

Family-oriented wellness facilities represent the most growth potential for travellers looking for locations and services with a wellness focus for their international trips. This has limited relevance to Sri Lanka, but two other types of facilities with expected high growth potential, destination spas and retreats, are more relevant. Destination spas are costly to develop and run and are very dependent on the overarching healing concept that they adopt.

Table 4: Guests' preferences in connection with health or medical services

	Spas based on natural (healing) resources	Family spas and wellness facilities	Thermal spring based spas/ hotels	Eco-spas and wellness facilities	Dreamscapes/ architectural masterpieces	Retreats	Destination spas	Healthy hotels and resorts	Adventure spas and wellness facilities
Local guests	2	1	3	4	5	5	5		
Domestic guests		1	2	4				5	3
Foreign guests		1	4			3	2		5

Source: The Tourism Observatory for Health, Wellness and Spa, (2107).
Note: Numbers in the rows indicate the relative preference of each alternative. The top five alternatives only are listed; the numeral 1 indicates the most popular alternative. Circles indicate the alternatives most relevant for Sri Lanka.

Wellness and wellness tourism have some links with medical tourism and medical services. This also can be relevant to Sri Lanka, considering the importance of Ayurveda. Ayurvedic medicine has been practised since ancient times and Ayurvedic treatments have become popular elements in wellness. More traditional approaches in medical tourism should also be mentioned since invasive (and minimally invasive) services also have growing markets and suppliers in the Southeast Asian region. There are several strong competitors such as India, Malaysia and Thailand, as well as the Republic of Korea and Dubai. The key competitive factors for medical tourism are prices, access, amenities and reputation, both of the hospital and of the specialist. These are generic qualities and success mainly depends on how much the destination and its investors are ready to invest into medical infrastructure and human resources.

'Wellness' is a buzzword. It became a global phenomenon and can come in many different forms. International travellers with wellness (or health) in mind look for services that are based on local traditions and natural assets. There is a growing demand for hotels with a healthier orientation in general, as well as for facilities with a very well-defined specialization.

SRI LANKA'S PREDISPOSITION TO ENGAGE INTO WELLNESS TOURISM

The wellness tourism sector in Sri Lanka is among the emerging export sectors identified in the NES. However, the sector in Sri Lanka has specific characteristics which, if properly supported and nurtured, could contribute both to employment generation and to building a national brand for the country as a whole. Sector development will start from a low base, which means there will be basic but important frameworks that must be established in order to ensure sector development.

Photo: ITC

EXISTING COMPARATIVE ADVANTAGES

As seen earlier, 'wellness' is currently becoming a global 'buzzword' in developed countries. In this regard, Sri Lanka has some natural comparative advantages and strengths that support the development of its wellness tourism industry.

The first and most obvious of these advantages is Sri Lanka's cultural heritage, which has many of the characteristics that are in high demand in the developed world's tourism markets. Of these characteristics, four could allow the country to stand out as a wellness tourism destination:

- The philosophy supporting Sri Lankan culture: The balance of mind, spirit and body is a core principle held by the Sri Lankan population and is an integral part of the country's culture and life philosophy. This is particularly reflected in traditional health systems and medicines, which do not dissociate the physical from mind-related treatments.
- The long history of Sri Lankan traditional medicine supports its legitimacy: Such approaches have been practised for many thousands of years in Sri Lanka, with Ayurveda at the core of the medical approach. The fact that those techniques were built and tested over a long time reinforces their appeal for clients seeking alternative medicines as preferred approaches to health.
- Sri Lanka's traditional health system is specific to the country: Ayurveda is a major component of Sri Lanka's approach to health as well as to well-being, but the country follows a different doctrine than neighbouring countries. In Sri Lanka, Ayurveda has been merged with local traditional knowledge, especially with regard to ingredients and their transformative properties. This gives Sri Lankan traditions their uniqueness. Ayurveda in Sri Lanka is not only a health system but also an integrated part of the country's lifestyle. This gives a special foundation to any development based on or inspired by Ayurveda.
- Mindfulness culture associated with Buddhism: Over 70% of the population of Sri Lanka is Buddhist and Sri Lanka hosts the holiest Buddhist temple of the world, the Temple of Tooth in Kandy, where Buddha's tooth relic is kept.

These natural and cultural endowments of Sri Lankan culture could be harnessed to build both a wellness tourism and an associated medical tourism industry that is authentic and anchored in traditions. This could have a positive effect on the tourism sector and could have a positive spillover to other industries. Tourism is a good means to build a national brand, as it conveys a country's image through tourists' experiences. A strong link to the ideas of health and tradition could also boost parts of the food sector, as well as skincare products coming from Sri Lanka.

The county's location and accessibility is another key advantage for wellness tourism development. Sri Lanka is centrally located between the East and the West, providing a blend of culture, food, etc. Sri Lanka is closer to Middle Eastern, European or American East Coast tourists than Thailand or Bali, which are Sri Lanka's main competitors in wellness tourism. With the end of the civil war that plagued the country for decades, Sri Lanka is becoming an aviation hub, with almost all of the world's airlines flying to Sri Lanka directly or through code-sharing partnerships.

The country also has high visibility with tourists currently due to its improved political stability and the large number of world heritage sites. Sri Lanka has eight UNESCO world heritage sites within 65,610 square kilometres, which puts it among the most attractive tourist destinations. The improvement of the political context and the opening up of the country is appealing to tourists, who are attracted by the novelty of the destination.

These advantages increase the potential for Sri Lanka's wellness tourism sector, but up until now sector development has been pushed by individual private sector companies. Individually, firms are realizing that wellness is a buzzword and are trying to take advantage of the trend, building on traditional practices such as Ayurveda and using competitors in neighbouring countries' as examples on which to base their products. As a result, the segment has developed sporadically and is characterized by strong competition.

Although there is a clear synergy between global trends and local traditional health approaches, there remains a gap between tourists' desires and the offerings by wellness tourism service providers. The western concept of 'wellness' is not common in Sri Lanka, since wellness is integrated into day-to-day life in Sri Lanka and is not seen separately. Wellness is associated with traditional medicine and healing in the country, whereas it has a much larger definition in the global tourism industry. On the other hand, tourists do not fully understand the specificities of traditional medicine and tend not to regard it as a serious discipline. Much work remains to be done to address the conceptual barriers held both by tourists and by wellness products and services providers.

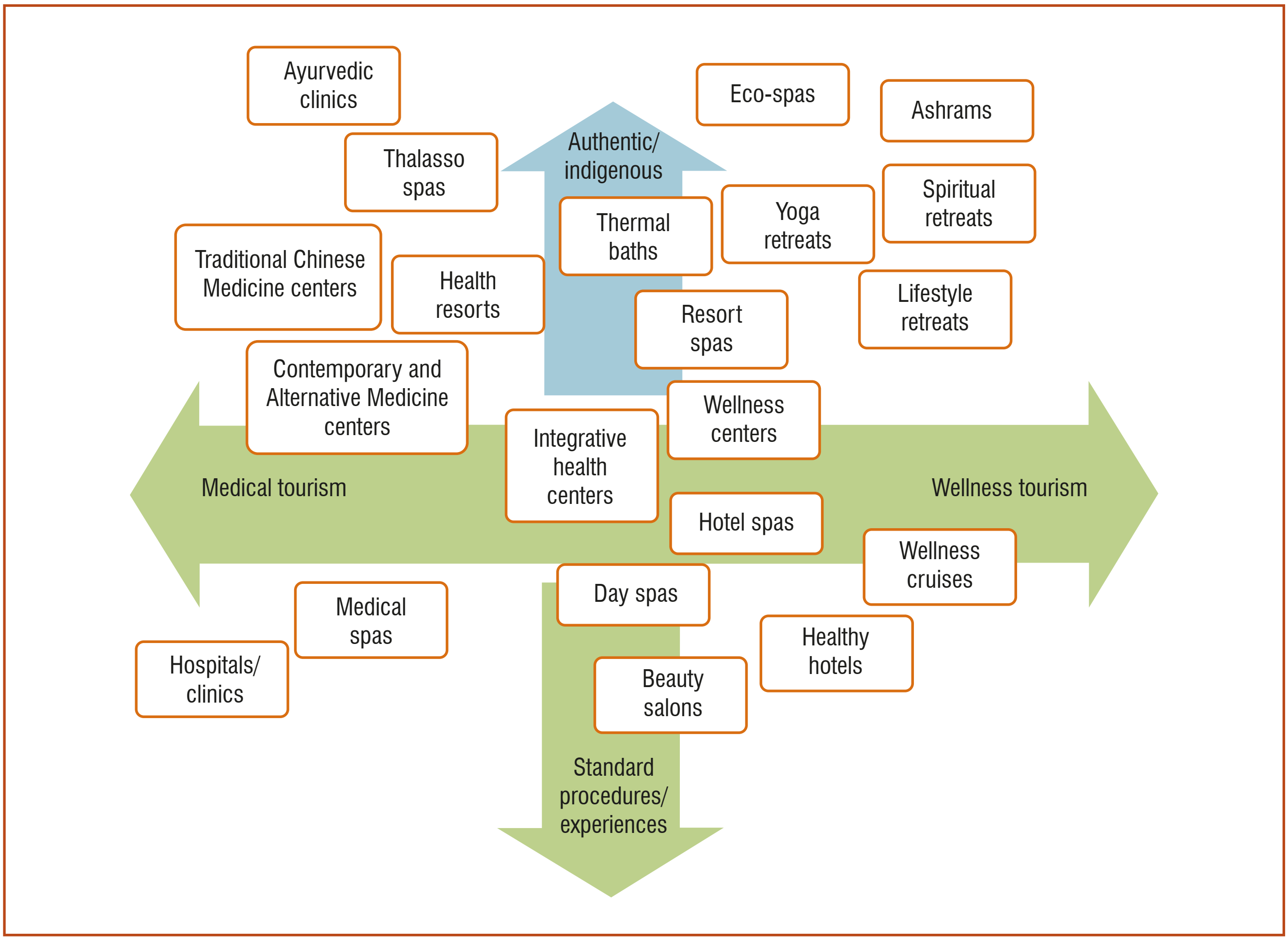
SERVICES AND PRODUCTS IN DIVERSIFICATION BLOOM

Although it is difficult to assess the exact state and size of the Sri Lankan wellness industry due to a lack of specialized statistics, it is possible to understand which areas of activity exist in the country. It is clear that providers are developing only a portion of the potential areas for wellness tourism products and services. The major characteristic of the sector is that it has developed spontaneously: growth in the sector (visitor numbers, investment projects and international interest) mostly has taken place organically, without external support or a framework.

The current sector can be divided into two basic categories: preventive or proactive approaches to health (maintaining good health) and reactive or curative approaches (healing an existing sickness). Figure 5 provides an overview of the existing services in both areas. It also separates generic and country-specific offers.

Photo: ITC

Figure 5: Existing service areas in wellness and medical tourism in Sri Lanka



Source: ITC adaptation from Global Spa Summit, (2011).

The following areas are the main services currently provided in Sri Lanka:

Wellness and light healing offers (traditional medicine):

- Ayurvedic resorts: This is the main and most well-known offer available in Sri Lanka. These hotels are focused completely on Ayurvedic treatments for their guests, while providing a peaceful environment and fostering relaxation. The resorts take a holistic approach as they cover cures, prevention, nutrition, mental well-being and fitness (through yoga and other activities that are offered). However, staying in such establishments imposes a certain discipline on tourists, as they need to stay a minimum amount of time and are restricted in their possibilities (food, activities, etc.)
- Spas: There are a number of spa typologies in the country:
  - Hotel Spas: These are spas integrated into hotels but which are not the main purpose for the hotel. This is the most common structure for spas.
  - Ayurvedic Spas: A few establishments combine Ayurveda with spa treatments. Only a limited number exist currently. These usually do not provide accommodation and but are standalone establishments in which tourists spend some hours per day.
  - Resort Spas: Only a few exist, such as Santani near Kandy. They are fully integrated complexes which focus solely on wellness-related offers.
- Yoga retreats: Very popular in India, yoga retreats are a major component of wellness-related offers. The number of yoga retreats has started to increase in Sri Lanka.
- Ashrams: There are a few ashrams, with some associated with yoga practice. These are immersive experiences in which tourists integrate fully into the simple and isolated life of a Hindu monastery.
- Beauty clinic/salons: Beauty is a fast-growing area, as the end of the civil war brought a rapid increase in the per capita gross domestic product of the local population and a resulting increase in dispensable income.

Photo: (cc) pixabay

Medical offer: disease treatment

- Ayurvedic clinics: These are full clinics that treat diseases with traditional medicine approaches. Their purpose is usually not touristic, as they are largely intended for the local population that chooses traditional methods over the western approach.
- Western medicine hospitals and clinics: Private sector, western medical hospitals provide competitive treatments and quality diagnostics to medical tourists coming to the country. Their market is mostly foreigners and not the local population.

The wellness and medical segments of the industry have very different characteristics and markets. This Strategy will handle each separately, while still addressing the possible links between the two segments. The Strategy's main focus will be the wellness segment of health-related offers; however, western medicine offerings will be examined to a lesser extent in order to identify that segment's most pressing requirements. Figure 1 above presented the scope covered in this Strategy.

The wellness tourism sector is currently focused on traditional healing and medicine. It is complemented by a connected but separate segment based on western medicine. The sector is growing and diversifying, but the development is led solely by the private sector, with companies spontaneously realizing the demand for Ayurvedic offerings and engaging in this segment. This organic sector development is sometimes harmful, as it favours opportunistic low-quality and low-investment operators, which eventually harm the sector's and country's reputation. Existing good quality offerings thus needs to be supported, protected, professionalized and expanded.

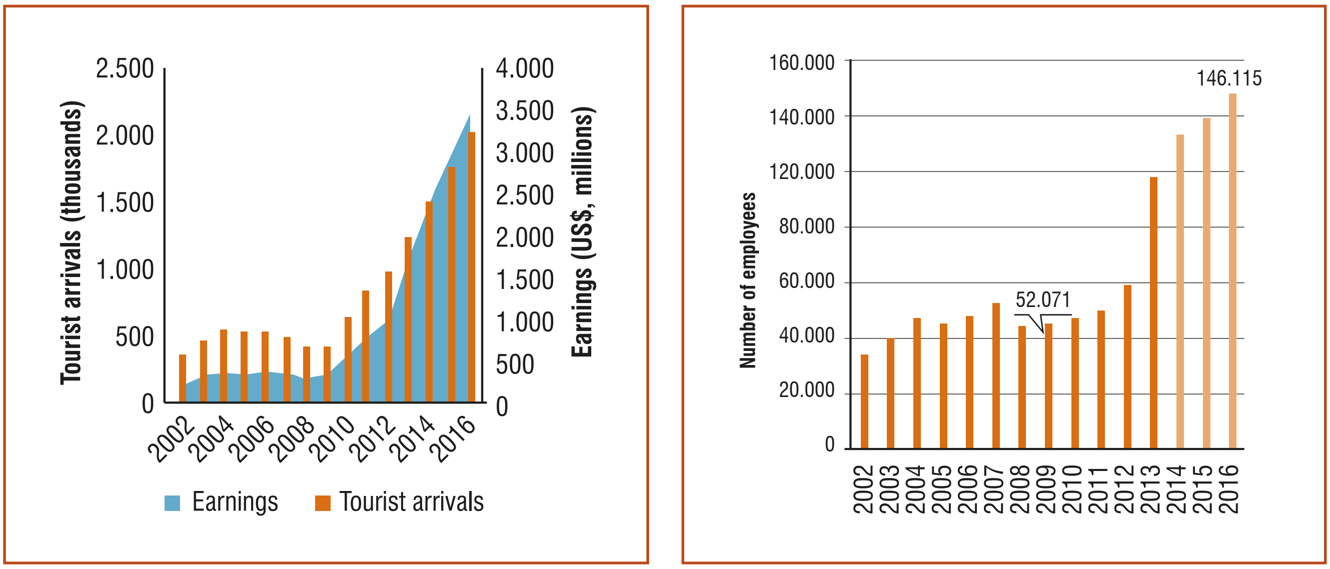
AN ENABLING TOURISM SECTOR DYNAMIC

Although it is very difficult to estimate the wellness segment of the tourism industry, the larger picture of the sector is quite evident. The tourism sector has grown exponentially since political stabilization in 2009. This is seen clearly in the statistics from the Sri Lanka Tourism Development Authority (SLTDA) in Figure 6. Sri Lanka tourism surged to a new high of 2,050,832 arrivals in 2016, transcending all-time highs and increasing 14% over the previous year's 1,798,380 arrivals, even though the performance in 2016 was below the target of 2.5 million arrivals in the Sri Lanka Tourism Development Strategy 2010-2016. However, this level of growth have been sustained since 2009 and is bringing employment to the sector, with an estimated 146,115 individuals employed in tourism in 2016 (up from 52,071 in 2009).

Tourism sector growth benefits from the fact that Sri Lanka is perceived as a safe and secure country and that the country is the object of far-reaching international interest. In 2013, Lonely Planet nominated Sri Lanka as the premiere destination in the world to visit. In 2015, Forbes magazine ranked the island among the 'top ten coolest countries' to visit. Global influencers such as Condé Nast Traveller, Rough Guides, Lonely Planet, The Guardian and the New York Times also identified Sri Lanka as a top location to visit in 2016. This is further enhanced by significant direct investment by the private sector and by overseas investors, as well as positive steps taken by other key stakeholders in recent years.[1]

1.– Tourism Strategic Plan 2017-2020 and Sri Lanka Tourism Vision 2025.

Figure 6: Tourism sector statistics – arrivals, earnings and employment (2002 - 2016)



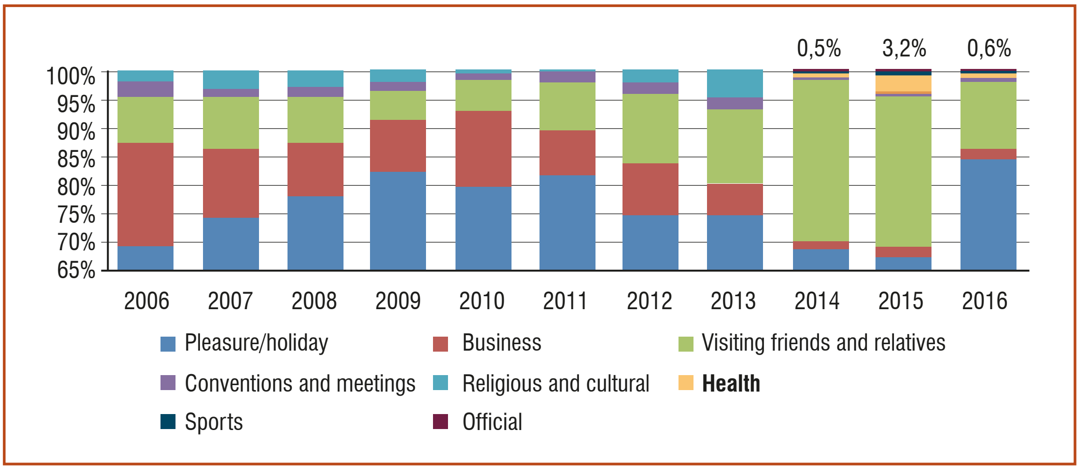
Source: SLTDA, 2016.

Due to the rise in arrivals, tourism became the third largest source of foreign exchange earnings for Sri Lanka in 2015. The two sectors with larger foreign exchange earnings were foreign remittances (LKR 948.95 billion) and textiles and garments (LKR 654.79 billion). Tourism's contribution to total foreign exchange earnings in 2015 amounted to 12.4%.[2]

Photo: (CC BY 2.0) Amila Tennakoon

2.– Sri Lanka Tourism Development Authority (2015). Annual Statistical Report 2015. Colombo.

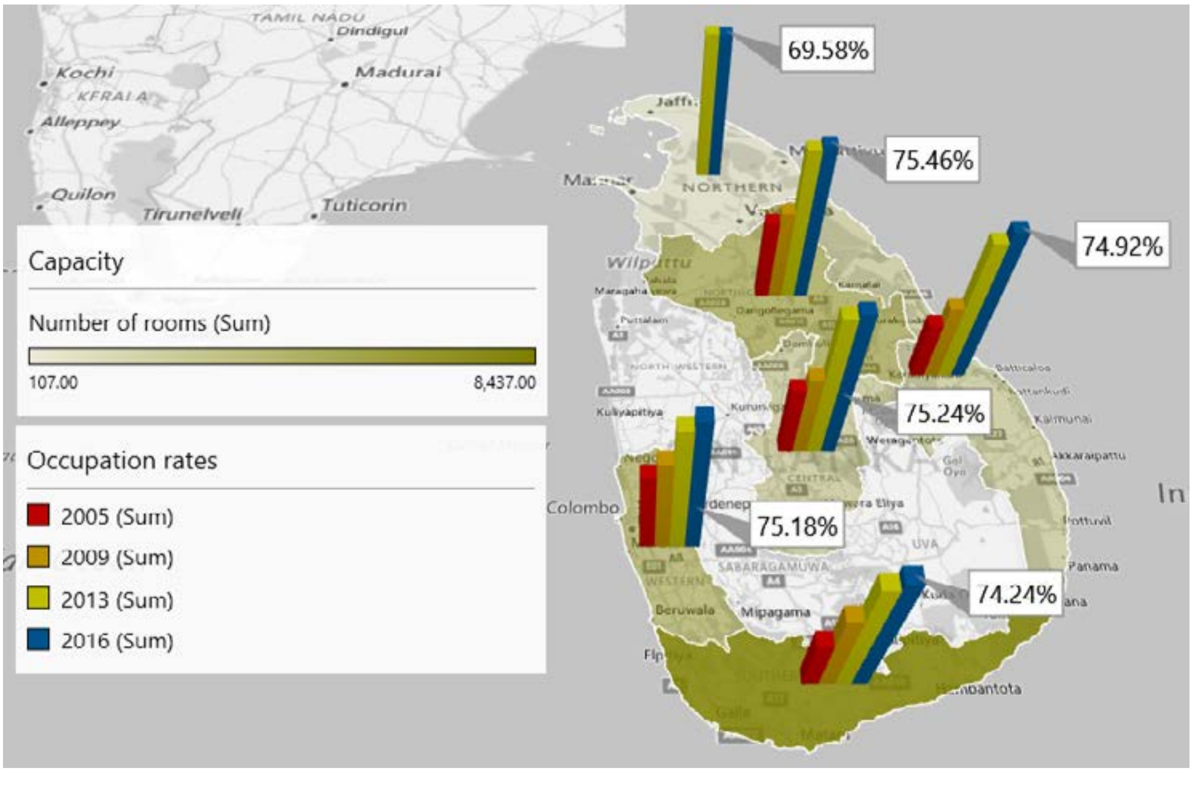
Figure 7: Purpose of tourists' visits (2006-2016)



Source: SLTDA, (2016).

It remains difficult to estimate the true proportion of wellness tourism in the overall tourism picture. Figure 7 provides an overview of purpose-of-arrivals statistics from the SLTDA. The 'health' purpose category was only introduced in 2014. How this information is collected remains unclear, due to the broad definition of 'health', which includes both preventive and reparative medicine (including western offers). The low figure seems non-representative of the current size of the industry, showing that only 0.6% of total arrivals are for health purposes (about 12,200 tourists) in 2016.

Figure 8: Regions' capacity in 2016 and occupation rates (2005-2016)



Source: SLTDA, (2016).

In terms of regional development, overall tourism activity is concentrated in the southern and the north central provinces, which have respective room capacities of 8,437 and 3,990. Figure 8 shows that the southern coast is most developed for '3S tourism' (sun, sand and sea), whereas tourism in the north central and central provinces is focused on culture and historical cities such as Anuradhapura, Polonnaruwa, Kurunegala and Kandy. Occupancy rates have shown a steady increase across all regions and today average 74.76%, according to SLTDA. Although no specialized statistics are available, wellness tourism industry stakeholders estimate that current operators are evenly spread in the main tourist areas, the southern, north central, central and eastern provinces.

The fast-paced development of the tourism sector offers a favourable environment for companies wanting to operate in the wellness segment. Many companies currently focused on leisure and resort segments intend to diversify into and invest in new establishments solely focused on wellness (mostly traditional medicine-based). Currently, wellness tourism offers piggyback on other tourism types and is present primarily in the main tourist areas.

SUPPORT TO THE WELLNESS TOURISM SECTOR HAS NOT YET MATERIALIZED

The wellness tourism segment is a nascent industry in Sri Lanka, and as such has only attracted limited support. Wellness tourism does not currently have dedicated policies, institutions, regulations, statistics or specific support programmes. This Strategy aims to build an effective support framework, which is currently missing, and to take advantage of the great potential represented by the sector and the current offer diversification process.

The current support framework that applies to wellness tourism is outlined in Figure 9. There is a recently developed, broad policy framework for tourism. Two main ministries are responsible for wellness-related affairs: the Ministry of Tourism Development and Christian Religious Affairs (MoTDCRA) and the Ministry of Health, Nutrition and Indigenous Medicine (MOHNIM). Tourism-related private sector associations exist, but none are focused specifically on the wellness industry.

Figure 9: Wellness tourism-related support framework

Note: Acronyms in this figure but not previous defined in this document are: The Hotels Association of Sri Lanka (THASL), Sri Lanka Association on Inbound Tourism Operators (SLAITO), Travel Agents Association on Sri Lanka (TAASL), Association of Small and Medium Enterprises in Tourism Sri Lanka (ASMET), Chauffeur Tourist Guide Lecturers Association Sri Lanka (CTGLA), Ceylon Hotel School Graduates Association (CHSGA), Ceylon Chamber of Commerce (CCC), National Chamber of Commerce Sri Lanka (NCCSL), European Chamber of Commerce Sri Lanka (ECCSL), and American Chamber of Commerce (AMCHAM).

Photo: (CC BY 2.0) Amila Tennakoon

Some overall observations can be drawn from the current support framework:

- No sector policies and planning existed until recently. Vision and strategic guidance for brand positioning, as well as plans and policies for value addition, has not been consistently executed. The Tourism Vision 2025 and the Tourism Strategic Plan 2017-2020 were developed recently to organize the sector.
- No prioritization of sub-sectors has been made. Although the tourism industry is expected to continue to grow, poor planning and management of this growth, combined with limited diversity of markets and products, contributes to a lack of value-added opportunities and limited per capita visitor expenditure.
- The continued expected growth requires coordination and sub-sector prioritization. As visitor numbers increase, there is mounting pressure to manage environmental impacts in areas of high tourist use, to manage land use in potential high tourism areas, to access appropriately skilled human resources and to maintain tourist service and product quality standards. In some areas it is evident already that the rush to develop and expand tourism is harming the natural environment and excluding local communities and local content, which is a core aspect of the Sri Lankan travel experience.
- Uncontrolled development has resulted in a lack of sub-sector specific monitoring and data. The Tourism Strategic Plan 2017-2020 identifies improved data collection as the first action needed to organize the sector. As mentioned previously, there are limited ways to assess wellness tourism as part of the total sector due to lack of specialized statistics.

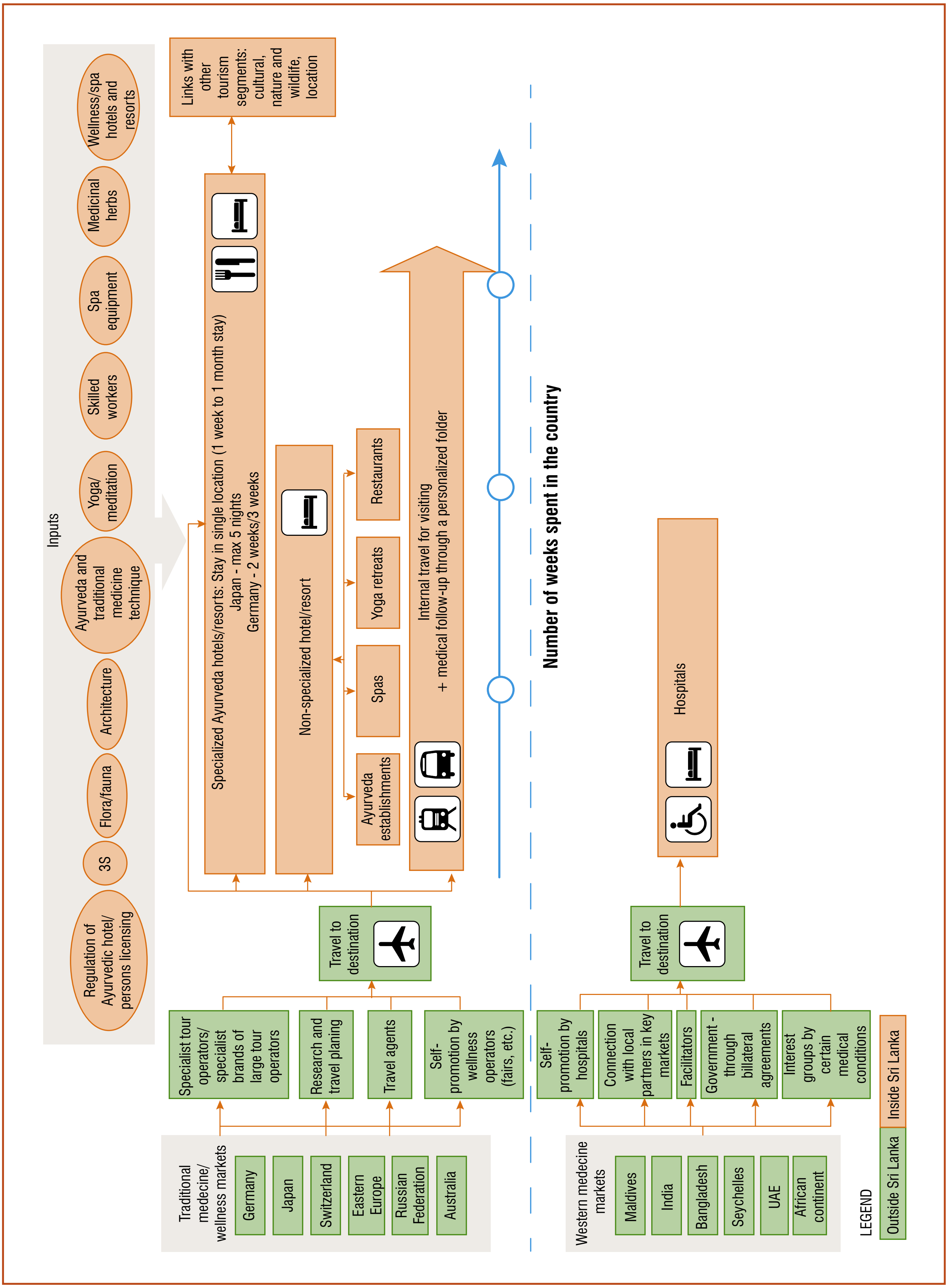
Stakeholders also were asked to assess their main institutional counterparts during the Strategy consultation process. A table in appendix 2 summarizes the results by institution. Stakeholders in the wellness tourism industry have clearly expressed that most tourism-specific institutions do not understand their concerns and needs and that, in most cases, no dedicated services or staff are available for the wellness industry. It was also stated that the present assessment would be more favourable if the entire tourism sector was considered. This confirms that wellness tourism is currently given a very limited attention.

The wellness tourism sector is a nascent industry for which the government has not yet had time to develop the necessary policies and support. Although the sector was prioritized in the recent Vision 2025 and the Tourism Strategic Plan 2017-2020, there are no specifically targeted activities set out in those policy instruments. The diagnostics that follow outlines the current wellness tourism value chain and the actions required to support the wellness and traditional medicine industry and western medicine tourism.

THE VALUE CHAIN DIAGNOSTIC

Photo: (CC BY 2.0) Amila Tennakoon

Figure 10: Wellness and medicine tourism value chains



Markets

Absence of statistics on wellness-related tourist arrivals and other aspects of wellness tourism:
- No disaggregated immigration reporting mechanism. For instance, transit tourists are counted in inbound tourist arrivals. This gives a distorted understanding of tourism sector performance and volume
- Many entrants prefer avoiding the business visa and use tourist visas even if they are 'meetings, incentive travel, conferences and events' tourists
- No counting of tourism receipts (either in wellness or medical tourism)

Clients are disappointed if they are directed to the cheapest options (fake Ayurveda), leading to a bad reputation for Sri Lanka in target markets:
- No well-established quality assurance mechanism
- No classification and no specialized tour operators in the country

Medical visas do not exist:
- Currently medical tourists come to Sri Lanka using the one-month tourist visa. It can be extended, but this represents an administrative burden
- A medical visa category does not exist, but would facilitate arrival counts and statistics generation

Lack of promotion and branding of wellness tourism and medical tourism:
- No marketing and awareness campaigns for the sector; embassies are not mobilized and have poor knowledge of the sector.
- Trade fairs identified by SLEDB are not necessarily the appropriate ones for the industry
- Private sector makes individual efforts to obtain market share, which creates high competition and limits cooperation
- There is limited awareness and use of IP protection tools to support individual private sector branding initiatives

Lack of specific market information:
- No institution provides specific trade intelligence of the segment

No recognition of traditional medicine in target market insurance systems:
- No advocacy in target markets for recognition

Intermediaries

Reservation operators/services are not receptive to wellness tourism:
- Only look at the price to generate more profit and ignore quality issues in the Ayurveda services
- There are only a few wellness specialized incoming tour operators in Sri Lanka
- The guides set their own prices
- Large tour operators do not operate specific wellness programmes in Sri Lankan
- Medical tourism is facilitated in only a few sites

Little regulation for travel agents:
- Hotels can become travel agents and sell directly, so no regulations prevent conflicts of interest

Service providers

No certification by institutions representing the sector:
- Low understanding of the discipline even at the institutional level

No research and development (R&D) in the wellness sector exists:
- No association on wellness and medical tourism which could voice issues

No way for foreigners to distinguish between quality service and 'spas':
- No classification of establishments providing wellness services (unlike in western medicine)
- Small/informal operators can avoid regulations
- Licensing for Ayurveda exists but not for spas, which only need a company registration
- No registration at all for Airbnb

No government support to the private sector:
- No investment support for existing players. For instance, construction permits for existing investors are important. Facilitation of such permits would offer a recognition of efforts by well-performing companies.

No local regulation for western medicine service providers:
- Five of the 30 western hospitals are internationally certified, since they cater to tourists. However, some smaller clinics for tourists find international certification, too expensive.

Access to inputs

Language and communication skills lacking among employees:
- Task-focused people are not available
- Therapists or medical consultants do not speak the required languages (English may not be enough)
- Language courses are taught only from grade 6

Low opinion of wellness tourism limits qualified labour supply:
- University graduates have a low opinion of wellness tourism industry as a career path
- Idea that 'women are not fit for tourism': shame for women to say they work in tourism industry
- Very bad reputation of hotel and spa industry among local communities

Some traditional medicine ingredients are imported from India, at lower quality:
- Sri Lanka's production is too costly
- Not enough support from the government to grow the needed plants
- No quality checks on imported Ayurvedic ingredients
- No standards exist for medicinal herbs and other ingredients within Sri Lanka
- No standards on production processes used by local firms producing ingredients

Sri Lankan hospitals do not have enough resident consultants:
- Many work in public hospitals and have no extra time to work in private sector hospitals.
- Cannot bring doctors from India due to strong doctors' trade unions
- No foreign doctors/consultants/specialists work in Sri Lanka because of work permit issues

No regulation on qualifications for Ayurveda and traditional medicine in tourism:
- No school level education on wellness tourism
- Tourism has only recently become a special and recognized discipline
- No monitoring on the quality of the courses.

Legend:
- Enterprise performance issues
- Regulatory and policy issues
- Institutional and coordination issues

This value chain schema in Figure 10 outlines the current operation of the wellness and medical tourism segments in Sri Lanka and provides an overview of the constraints faced by stakeholders at each of the stages of the chain.

FOCUSING ON THE MOST PRESSING ISSUES

To remain realistic and resource-efficient, this Strategy will not focus on all the issues affecting the value chain, but will emphasize the most critical ones. The criteria that were used to make this determination were the level of disturbance (perceived by national stakeholders) and the ease of resolution (in terms of cost and time).

Top issues to be addressed on input provision

Low opinion of wellness tourism limits qualified labour supply

Wellness tourism industry operators have trouble finding employees and professionals to work in their establishments, especially spa, massage or Ayurvedic doctors. The wellness sector has a bad image among the local population, which is then reluctant to engage in wellness careers. University graduates have a low opinion of the wellness tourism industry as a career path, as they associate this with lower level service jobs. There is also the widespread idea that 'women are not fit for tourism,' and a cultural bias that sometimes makes working in the wellness tourism industry shameful for women.

The bad reputation of the hotel and spa industry among local communities also limits the connection between the industry and the communities in which operators are located. This creates a clear-cut separation between the industry, communities and local culture. This not only harms local communities, which do not benefit from the jobs created by local wellness tourism providers, but also limits service providers' ability to present authentic local services and products to their clients. Tourists from most target markets are searching for opportunities to interact with local traditions and communities and to better understand the country that they are visiting.

The following constraints are address in PoA: 3.3.1., 3.3.2.

No regulation on qualification levels for Ayurveda and traditional medicine

Labour issues in the wellness tourism industry revolve around both adequate supply of workers and quality. The education system for wellness industry-related jobs, and specifically for jobs related to traditional medicine and Ayurveda, has not yet had time to mature. Traditional medicine education exists, but tourism-related issues are not included. The courses are intended to educate Ayurvedic doctors to work in Ayurvedic clinics or other traditional medicinal establishments, mostly for local populations. There is no school level education on wellness tourism as a specific discipline.

Only recently has tourism as a whole become a special and recognized discipline in universities. As the discipline is new, there are not yet standards for and monitoring of course quality. This also helps to explain the limited labour supply for the wellness industry.

The following constraints are address in PoA: 2.2.1.

Top issues to be addressed on the business environment

Absence of statistics on wellness-related tourist arrivals and other qualities of wellness tourism

As mentioned in the industry overview, the wellness segment is difficult to quantify and understand due to the lack of segment-specific statistics collection mechanisms. This is particularly important as wellness was identified in the Vision 2025 and in the Tourism Strategic Plan 2017-2020 as a development priority for the country. Both policy instruments also identify poor statistics collection as one of the major issues for the tourism sector as a whole. To be able to develop a baseline on which to judge progress, any strategy requires quantification of the industry.

The lack of reliable statistics for wellness tourism has multiple causes: for instance, there is no wellness-specific reporting mechanism at immigration checkpoints. Currently an entrant can only choose between 'health' and 'leisure' as the purpose for the visit. A person entering the country for a yoga retreat does not necessarily fit these categories, but might well prefer to identify as a 'leisure' tourist.

Another key problem is that transit passengers are counted as inbound tourist arrivals. Considering the large number of people that transit to the Maldives via Sri Lanka, this gives a very distorted understanding of sector performance and volume. Many arrivals prefer to use leisure tourist visas rather than business visas, even if they are coming for business or should be categorized as 'meetings, incentive travel, conferences and events' tourists, which also distorts tourism figures.

Finally, there are no reporting mechanisms for hotel and location establishments about their visitors. Operators cannot disaggregate between 'real' wellness tourists, who buy tourism in addition to wellness services, from general tourists, who may sample wellness services. There is also no counting of tourism receipts. Comparing tourist receipts against arrival figures provides a clear picture of tourist spending on specific services available in a country.

The following constraints are address in PoA: 3.4.1, 3.4.2, 3.4.3.

No way for foreign people to distinguish between quality service and 'spas'

A key concern for stakeholders is the large variance in the quality of service delivery among different operators. This is especially problematic for Ayurvedic and traditional medicine-related offers, as it could present a health risk for tourists. The threat is highest for people who come to heal existing pathologies or to undergo post-operation convalescence and for those with declared or non-declared allergies. (Ayurvedic practice could include a number of ingredients with which a patient has never interacted previously). Cases in which existing health issues were aggravated occurred in the past and had a grave impact on the reputation of Sri Lanka's wellness offerings. Another issue is the spin-offs from the wellness industry that hide illegal practices and also have an impact on the reputation of the industry, not only among tourists but also with the local population.

These issues are mostly due to a lack of classification for establishments providing wellness services (unlike in western medicine). There is no mechanism available to classify establishments based on the quality of their wellness-related services, although there currently is an amendment to the Ayurveda regulation which is underway and will require any establishment claiming the word 'Ayurveda' to be specifically licensed. This amendment to the regulation has not yet been gazetted and currently small or informal operators can still avoid regulation. This Ayurvedic licensing system, however, would not cover spa establishments, which simply need a company registration.

The following constraints are address in PoA: 2.2.2., 2.2.3., 2.3.1., 2.3.2., 2.3.3., 2.3.4.

Top issues to be addressed on market entry

Lack of promotion and branding of wellness tourism and medical tourism

The wellness sector – and more specifically the traditional medicine segment of it – suffers from a lack of understanding about its issues by public institutions, the operators themselves, the local population and the customers. If the government intends that the wellness sector should upscale, changing this lack of understanding by numerous stakeholders needs to be a priority.

Currently, marketing and awareness campaigns for the wellness sector are non-existent. Embassies are not mobilized in target markets and have poor knowledge of the sector. Since 2013, SLEDB has supported the wellness sector with various initiatives to overcome these issues.[3] However, there is much wide-scale branding work to be done for the wellness sector. Stakeholders mentioned that the trade fairs identified by SLEDB are not necessarily the appropriate ones for the industry. Representative government bodies or agencies would need to be able to sign bilateral agreements with other countries in order to ensure insurance coverage of traditional medicine-based treatments provided in Sri Lanka. This will have a positive effect on demand for Sri Lankan offer.

Currently, promotion is done by companies making individual efforts to build a customer base. This creates a highly competitive environment among operators and discourages cooperation among companies, since marketing requires highly intensive investment and activity.

Finally, branding activities need to be coupled with IP protection, but there is limited awareness and use of IP protection tools to support individual private sector branding initiatives. As the country develops a national wellness tourism brand, it will need to look at ways to protect that brand and verify that the wording has not been used previously by competing countries.

The following constraints are address in PoA: 3.1.1., 3.1.2., 3.2.1., 3.2.2., 3.2.3.

Lack of specific market information

Even though SLEDB and SLTDA provide figures about the global tourism industry, there is little information about trends and clients' preference, especially in the wellness tourism industry. This support would is essential if companies are to better understand the trends in the markets in which they operate and if they are to gain the confidence to offer new products that they did not envisage before.

The following constraints are address in PoA: 3.5.1., 3.5.2.

3.– This support included an ITC study on health tourism in 2013, an Ayurveda booklet developed and sent to embassies in 2014-15, networking between Ayurvedic and western hospitals, the introduction of Ayurveda sector awards in 2015 (Presidential Export Award) and discussions with the Medical Tourism Quality Alliance (MTQUA) to develop standards for the Ayurveda sector.

No recognition of traditional medicine in target market insurance systems

The fact that traditional medicine approaches, and more particularly Ayurveda, are not recognized by target markets' insurance systems (either state or private) obviously limits the number of clients with diagnosed pathologies, as compared to individuals looking at preventive treatment possibilities. This could be addressed through sensitization and advocacy for recognition by embassies or companies' representatives in target markets.

The following constraints are address in PoA: 2.4.1.

Photo: Alexandra Golovko (ITC)

Most of the issues reported by wellness industry companies are related to institutional and regulatory frameworks. This shows again that the sector, stimulated by international demand, has been developing organically but without support from institutions. It thus becomes urgent that institutions take action to understand the sector and support it accordingly. The wellness sector will be instrumental in building an international image and reputation for Sri Lankan tourism and for the country's health services, which can impact other sectors as well. As such, it should not be underestimated and should receive full attention.

Photo: (CC BY 2.0) Amila Tennakoon

THE WAY FORWARD

The wellness sector presents a clear opportunity for development in Sri Lanka, since there is a strong match between global trends and Sri Lanka's local resources and traditional health approaches. The country has all natural and traditional endowments that can be used to develop a sustainable wellness tourism value chain that is deeply rooted in the local communities and traditions.

Since the wellness tourism sector is a young industry, the government has not yet had time to develop the necessary support and policy frameworks, but a stronger institutional intervention is the only way to ensure the sector reaches the vision described by the Tourism Vision 2025 and the Tourism Strategic Plan 2017-2020. In the worst case, opportunistic activity could have a durable negative impact on the country's image as a destination and as a possible supplier.

It thus becomes urgent that institutions take action to understand the sector and to support it accordingly. A solid framework will need to be established for the sector in terms of governance, quality assurance, regulation and well-targeted promotion. This will allow Sri Lanka to develop a reputation for services that are well-known and of high quality, while being sustainable and symbiotic with the local population.

THE VISION

The following delineates this Strategy's proposed vision and strategic approach to develop the wellness tourism sector. The vision statement was agreed upon by all stakeholders in the wellness tourism value chain in Sri Lanka:

> “**Sri Lanka:** the preferred destination for well-being”

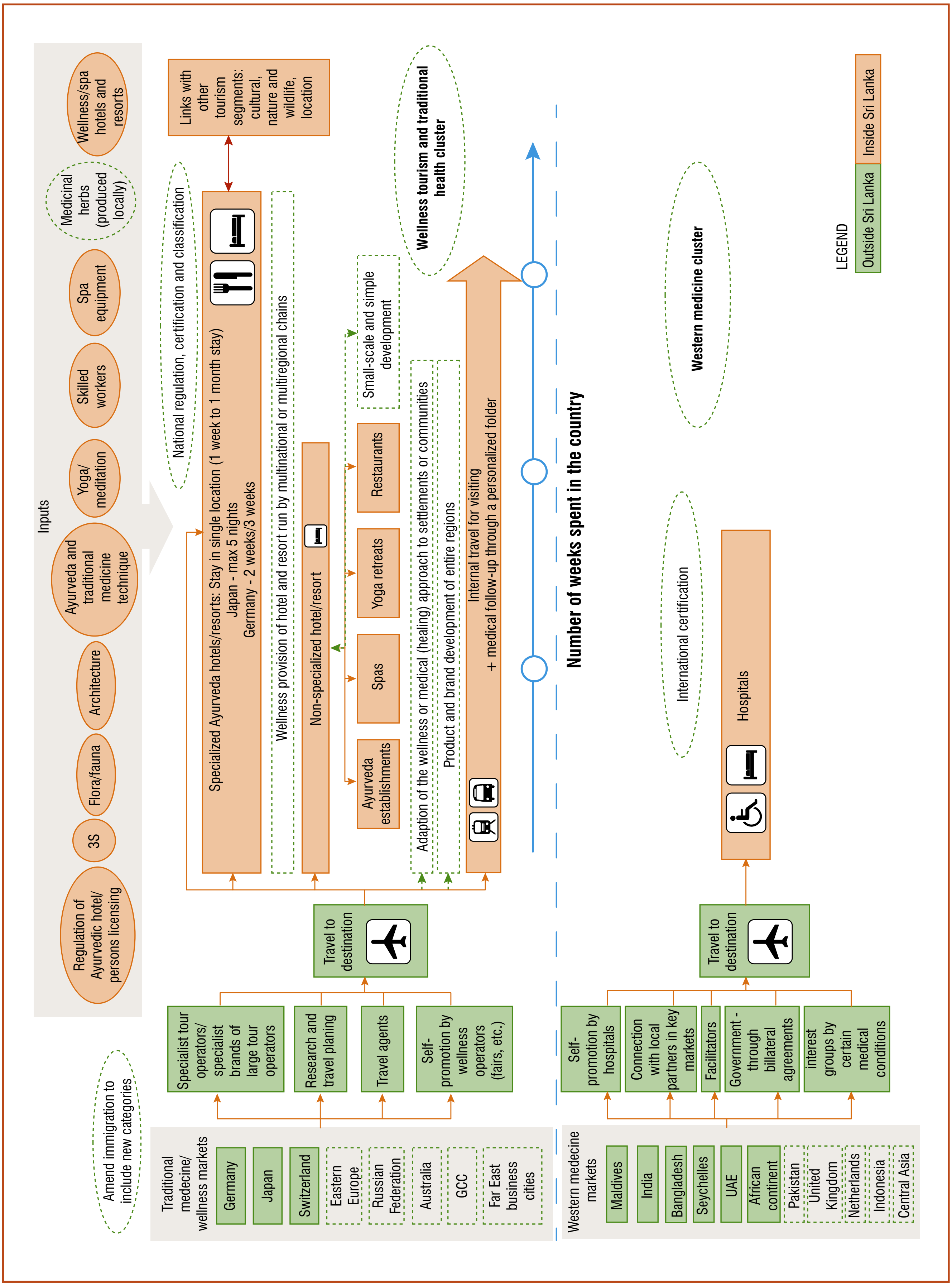
THE STRATEGIC OBJECTIVES

The PoA will respond to this vision by addressing the sector's constraints and by leveraging opportunities in a comprehensive manner. To this end, particular efforts will be made to meet the following strategic objectives:

Strategic objective 1: Develop coordination in traditional and western health tourism	• The first objective concentrates on sector coordination and cohesion. Both the traditional wellness and the western medicine segments require clusters to organize and improve cooperation of stakeholders.
Strategic objective 2: Set up a quality assurance system for wellness and traditional health systems	• The second objective focuses on regulation and quality assurance through standardization, licensing of activities, recognition of traditional healing in target markets and streamlining of institutional procedures.
Strategic objective 3: Build information about the Sri Lankan health tourism sector and about its target markets	• The third objective focuses on gathering more information on the sector through more effective collection of statistics and on sharinging sector information, both to the local population and to customers in target markets.

THE FUTURE VALUE CHAIN

Figure 11: The future value chain



Markets	Intermediaries	Service providers	Access to inputs

Markets / Intermediaries

Existing markets for wellness and traditional medicine (Germany, Japan, Switzerland): Establish the certification system

New markets for wellness and traditional medicine (United Kingdom, Sweden, Russian Federation, Eastern Europe, GCC, Far East business cities, Australia): Focus on promotion, awareness, knowledge building and establishing local representation

New products in wellness:
- Wellness provision at hotels and resorts run by multinational or multi-regional chains
- Product and brand development of entire regions
- Adaptation of the wellness or medical (healing) approach to settlements or communities
- Development of new or upgrade of existing multifunctional facilities
- Single, self-contained and wellness or medical dedicated resort complexes
- Small-scale and simple developments (such as retreats)

Existing markets for western medicine (Maldives, the Seychelles, UAE, India, Bangladesh, African countries): Tying up with local medical representatives

New markets for western medicine (Pakistan, United Kingdom, Netherlands, central Asian countries, Indonesia): Medical symposiums and fairs, tying up with insurance organizations and local hospital representatives

Amend immigration regulation to include new categories

Service providers

Certification possibilities:
- JCI accreditation is essential for successful international medical tourism but is not tourism-specific.
- Temos International certification is specifically tailored to medical tourism hospitals and clinics and to international patient management.
- The Medical Tourism Association offers certification alternatives for both facilities and professionals.
- TÜV Hellas launched a Medical Tourism Friendly Hotel certification.
- Certification of hospitality services linked to health/medical tourism management is offered by Swiss Approval International
- MTQUA certification

Online hotel reporting system to be managed by SLTPB or Immigration.

Establish SLTDA as the agency responsible for registering wellness and traditional health businesses through an online registration and approval system.

Licensing and regulation of spas/wellness centres

Gazette the new regulation on Ayurveda for Act No. 31 of 1961

Develop quality standards and classifications for Ayurveda

Access to inputs

Build understanding within the Sri Lanka Tourism Promotion Board (SLTPB), SLTDA, the Department of Ayurveda (DA), Sri Lanka Customs (SLC) and the Department of Immigration and Emigration (DoIE) about Ayurveda and traditional medicine offers and how they differ from western health offers by industry-appointed specialists.

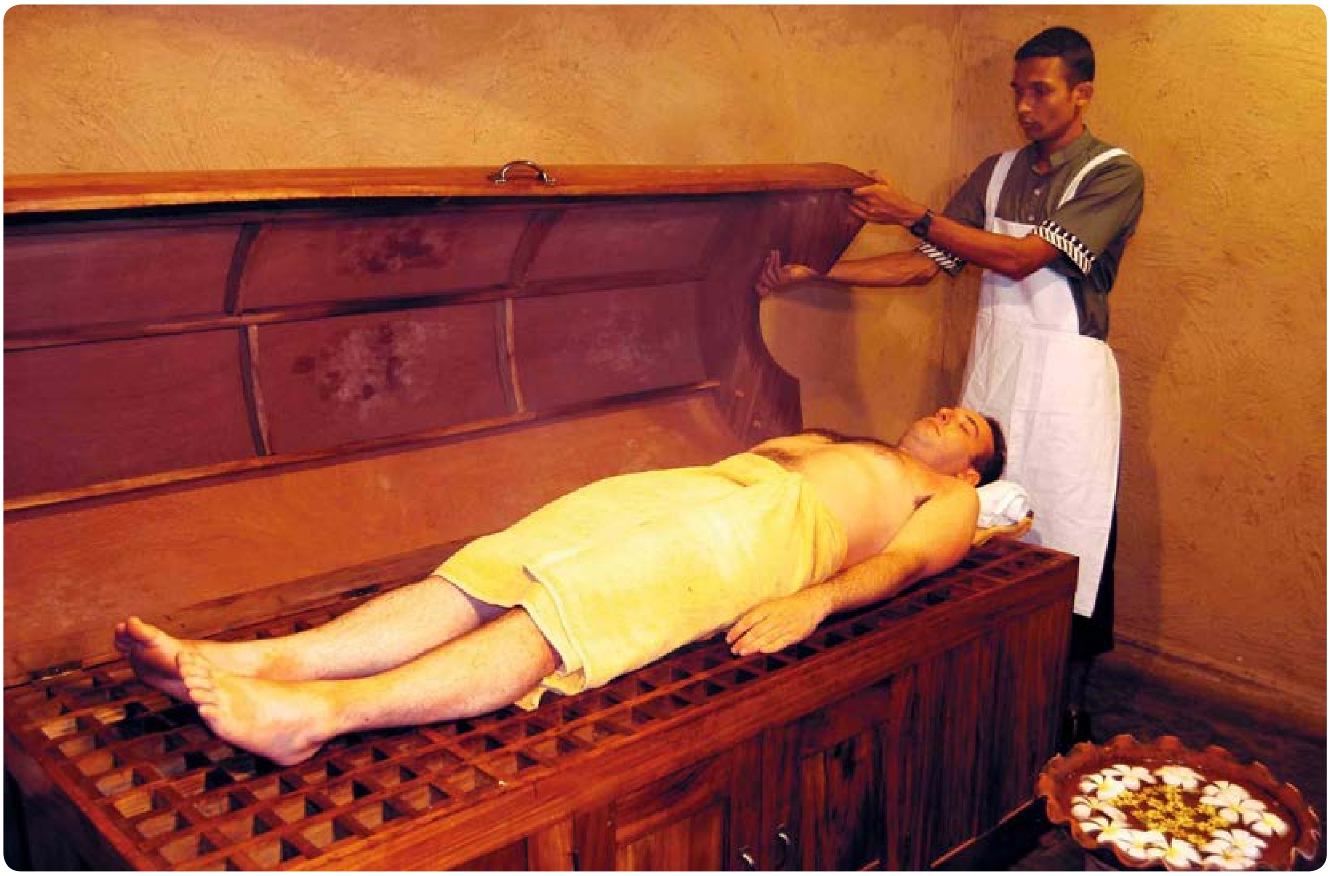
Manufacturing of products required for Ayurvedic treatments using local and traditional resources

Support investment in the following areas:
- International hotel and spa organizations can be solicited for investment based on pre-defined guidelines (and supported by certification for services and facilities).
- Facilitate the approval of construction permits for existing investors in the wellness tourism and traditional health sector that are certified to national standards, once these are developed.

Western medicine cluster

Wellness tourism and traditional health cluster

Legend:
- Market perspective
- Value options
- Institutional adjustments
- Regulatory amendments
- Investment requirements



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The 'Future Value Chain' schema in Figure 11 presents preferred operational activities for the wellness and medical tourism segments in Sri Lanka. It also provides an overview of the modifications required at each step in the chain.

MARKET PERSPECTIVE

When looking into market and product possibilities, the wellness and traditional medicine segments need to be analysed separately from western medicine, since both segments have different dynamics and market sizes. However, planners, developers and government bodies still need to understand the differences and the possible linkages between the two spheres.

Existing services to existing markets

In the wellness and traditional medicine market segment, possibilities for profit increases will grow with the establishment of the certification system and increased investment for promotion and branding initiatives. Certification and increased promotion will be essential to establish a brand known for excellence and to gain full confidence from as many customers as possible. To strengthen the branding initiatives, IP protection is needed for existing products. Operators could use the following IP tools:

- Trademarks: Develop trademarks for individual brands by Ayurveda and traditional medicine providers.
- Collective mark system: Develop an umbrella national brand under a collective mark managed by the DA.
- Certification mark: Register a certification mark for 'Sri Lanka Ayurveda certified' to be managed by the DA and endorsed by SLTDA.
- Database protection: Create a specific database of ingredients used by Sri Lankan traditional medicine practitioners that distinguishes Sri Lanka from neighbouring countries. About 30% of the ingredients used in Sri Lankan traditional medicine are different from those used in Indian Ayurveda. This 30% could thus be protected through a database IP protection.
- Geographical Indications (GI): Currently the GI registration process is being setup by the National Intellection Property Office (NIPO).

Growing the current market for the western medicine segment will involve connecting with hospital and referral systems in target markets. This will ensure that patients are given the choice of Sri Lanka as a treatment location, as delineated in Table 5.

Table 5: Intensification of current services' trade

Target market	Description of the service and target group	Rationale	Implementation	Timeframe (Short, medium or long-term)
Wellness and traditional medicine				
1. Germany	• Curative and preventive health • Single women targeted services • Age of customers used to be above 40 years but is coming down	• Several long holidays per year • High spending • Understanding traditional healing as well as Ayurveda as a concept	• Certification system in place and monitoring system • Awareness increase • Availability of production on the local market	MT
2. Japan	• Only preventive due to short stay (only five days on average) • Single ladies middle-age and older • Post-chemotherapy customers or those suffering from depression/ burnout • Intent is to come for medical reasons • Older people rarely travel abroad	• High spending • Younger people could stay longer (job depression, burnout)	• Certification system in place • Disseminating knowledge • Translation of promotional materials into Japanese • Translation in larger Ayurvedic resort.	MT
3. Switzerland	• Curative and preventive traditional medicine • Younger customers (below 40 years) • Combined holidays	• Longer stay (high spending) • Increasing market due to diseases like diabetes • Sensitization about need to improve lifestyle/health	• Knowledge building • Certification system in place • Education establishments – promotion • Insurance – advocate for coverage options	MT
Western medicine (India, Dubai and Malaysia are big competitors)				
1. Maldives	• Secondary healthcare (after primary diagnostic)	• Connectivity available • Geographic location	• Already mature markets (minimal increase scope)	ST
2. Seychelles	• Secondary healthcare.	• Connectivity available • Geographic location	• Already mature markets (minimal increase scope) • Only possibility to capture India's share	ST
3. UAE	• Check-ups, dialysis • Sri Lankan diaspora comes for the services 'less covered' by local insurance, such as maternity • Segment of Pakistanis who travel to Malaysia for treatment and dislike going to India	• Cost advantage • Sri Lankan diaspora • Expat community	• Promotion and tying up with local hospital representatives • Links with facilitators as well as business-to-customer channels • Need a guarantee for insurance coverage. Guidelines needed to register for insurance coverage (harmonization)	MT
4. India	• Neurology and orthopaedics	• Cost advantage (limited) • Waiting list is shorter than in India	• Promotion and tying up with local hospital representatives	ST
5. Bangladesh	• Surgeries	• Quality of treatments (success rates) • Dislike going to India	• Promotion and tying up with local hospital representatives	ST
6. African continent	• Surgeries • Currently still marginal market	• Quality and availability • Usually go to UAE	• Bilateral agreements with governments	MT
7. Germany	• Dental surgery • Amalgam restauration/ removal and replacement with non-toxic composites • Aesthetic dental surgery	• Connection with wellness due to the toxicity reduction incentive (natural products, etc.)	• Local standardization needed – with Sri Lanka Medical Council involvement and the Private Healthcare Services Regulatory Council (PHSRC) • Longer term: international standards • SLEDB supports dental industry promotion (brand and trademark needed)	MT

Existing services to new markets

In the wellness and traditional medicine segment, there is scope to tap into new European and Eastern European markets, GCC countries and business cities in the Far East and Australia. However, this will require heavy investment in promotion. Building knowledge about Sri Lanka as an alternative destination for traditional wellness holidays will be essential. In most of these countries, there is already receptiveness for the concepts, with the exception of Eastern European and GCC countries. In these cases, there is a preference for good amenities (even if not at the luxury level). More than with existing markets, branding of services and products for new markets will be essential. It will be important to pursue protection of IP on brands through the same tools used for existing markets (trademarks, collective marks, certification marks, GIs). However, IP registration in individual target markets will be required, as Sri Lanka is not part of the Madrid Convention.

For western medicine offers, other regional markets such as Pakistan, Central Asian countries or Indonesia could be tapped, as could selected European countries such as the United Kingdom and the Netherlands. However, this will require signing with insurance organizations, participating in medical symposiums and fairs and linking with local referral partners and facilitators, as outlined in Table 6.

Table 6: Market diversification possibilities

Wellness and traditional medicine				
Target market	Description of the service and target group	Rationale	Implementation	Timeframe (short, medium or long-term)
1. United Kingdom	• Twin centre holidays • Demand is higher for yoga and retreats as well as spiritual and holistic holidays • Possibility to diversify into preventive traditional medicine	• Almost untapped currently, potential for growth • Direct flights available • Specialist operators available	• Limited knowledge about Sri Lankan wellness offerings – much promotional work required • IP recognition with the NIPO • Link with specialist tour operators	ST
2. Sweden	• Curative and preventive traditional medicine • Smaller market but often travels far • Understanding of traditional (or alternative) healing and wellness	• Travel often to southern countries • High spending • Adopted children from Sri Lanka in Scandinavian countries (fair knowledge about the country and health system)	• Limited knowledge about Sri Lankan wellness offerings – much promotional work required • IP recognition with the NIPO. • Link with specialist tour operators	MT
3. Russia Federation/ Eastern Europe	• Segment: currently fun and beach • Need to diversify into wellness/traditional medicine • Niche segment for yoga and retreats • Understanding of evidence-based medicine	• Long stay • Targeting high spending as well as special interest segments	• Focus on cosmetic/beauty • Soft side/wellness • IP recognition with the NIPO • Introduction of traditions as exclusive and heritage services	MT
4. GCC and business cities in Far East	• Prevention and rehabilitation • Looking for alternative medicine • Both local and expat segments • Expat market is looking for exclusive destinations and value propositions	• Close distance • Short visits • Alternative to India • But religion can be a challenge (halal)	• Evidenced-based medicine • Study tours and exhibition participation • IP recognition with the NIPO • Local and expat markets need different communication and packaging	ST
5. Australia	• Exploring and awareness creation • Need to focus on a 35 and older segment for the traditional medicine and wellness. • Existing demand for holistic holidays	• Direct flight from October (new)	• Limited knowledge about Sri Lankan wellness offerings – much promotional work required • IP recognition with the NIPO	MT
6. China	• Light side of wellness	• Acquainted with the traditional health system	• Need to adapt to group tourism organisation • IP recognition with the NIPO	MT

Western medicine (India, Dubai and Malaysia are big competitors)				
Target market	Description of the service and target group	Rationale	Implementation	Timeframe (short, medium or long-term)
1. Pakistan	• Broad range of medical services	• Improved quality of treatment compared to locally available	• Through private healthcare providers – promotion and awareness raising	MT
2. United Kingdom	• Broad range of medical services • Need to tie up with cashless insurance • Cosmetic dentistry • Total reconstruction of the mouth • (clients 60 years and older)	• Cost reduced • Sri Lankan Airlines has daily flights – packages possible • Insurance coverage for dental interventions is low – reason to come to Sri Lanka	• Signing up with insurance organizations • Medical symposiums/fairs • Partnering with facilitators	MT
3. Netherlands	• Cosmetic surgery • Need to tie up with cashless insurance • Cosmetic dentistry • Total reconstruction of the mouth (clients 60 years and older)	• Flying Dutchman programme – medical packages were sold through the program	• Cosmetics clinics – signing up as partners	MT
4. Central Asian countries	• Surgeries/invasive specialties	• Alternative to India and Republic of Korea	• Establishing local representatives and contracting doctors	MT
5. Indonesia	• Surgeries/invasive specialties	• Alternative to Malaysia but religion can be a challenge	• Promotion and tying up with local hospital representatives	ST

New services and product development possibilities in the wellness and traditional medicine

Wellness thinking can be applied beyond the traditional medicine approach and applied in tourism contexts of any size in both the public and private sectors. As a new value proposition, Sri Lanka should consider alternatives that can complement each other and can be launched at different stages of the wellness tourism industry's development:

- Wellness provision by hotels and resorts run by multinational or multiregional chains but regulated/certified by local authorities. Government bodies and/or new wellness tourism clusters (see the section on institutional adjustments) need to provide support and product guidelines for new development and upgrades. These guidelines need to avoid clichés. Recommendations for healthy hotels and Ayurveda inspired resorts as well as standards for specialist Ayurveda hotels and retreats can guide development as well as marketing efforts. **Timeframe: MT to LT**
- Product and brand development for entire regions, such as well-being lifestyle products based on local traditions. The definition and development of the so called 'Sri Lanka Well-being' product can provide guidelines for regional development, as well as site specific and product developments. As an alternative adaptation of Ayurveda and natural healing practices under one umbrella, this can create a truly unique and local product for Sri Lanka. Industry and the relevant research community jointly need to participate in such developments. Such products include gastronomy (for instance gastronomy tours), healing and lifestyle practices, daily routines, accommodation finishes, leisure and spiritual activities. **Timeframe: LT**
- Adaptation of the wellness or medical (healing) approach to settlements or communities or to wellness communities or health towns. The health or medical destination concept is based on the premise that a whole village or town can specialise in health, wellness or medical services. This development is popular in many countries (for example, in Europe there are thermal towns as well as medical towns). Defining the necessary requirements for such settlements again needs cooperation between government and industry. Applying defined requirements can help both the service provider and the whole local community in economic and social development. Negative associations with wellness and tourism can be overcome if this is approached from the perspective of heritage, tradition, and sustainability. Local pride and protection of heritage can be channelled in this development process, since it builds on local values and does not try to change or dilute them. **Timeframe: LT**
- Development of new or upgrade of existing multifunctional facilities, such as new hotel and resort developments. Multifunctional standalone operations (that are not a member of a chain) require guidelines as well. These types of establishments are probably easier to influence,

since chains have in-house standards that they will want to apply at any location (with limited flexibility). The renovation of existing facilities can be a strong pillar in the upgrade and redefinition of wellness tourism in Sri Lanka. A multifunctional development provides flexibility for operations and marketing and can adapt to customers and markets with less specific expectations. **Timeframe: MT to LT**

- Single, self-contained facilities and resort complexes with a wellness or medical orientation include certified wellness oriented service or hospital-to-hotel (H2H) facilities, such as healthy hotels where, for example, Ayurveda is applied as a lifestyle philosophy but not specifically for healing or wellness. One of the specific segments within potential wellness tourism planning is establishments that are focused solely on one or only on a few service components. Specialised theme based developments applying overarching concepts (either inspired by ancient concepts such as feng shui or Ayurveda or new ones such as Lanserhof's own medical approach) can be relevant here. These services should be based on personal needs and expectations rather than on generic offerings, such as standardised spas or wellness centres. Their orientation can be made visible through the name of the hotel/establishment and its branding and communication. Today there is a proliferation of definitions for establishments such as destination spas, health spa resorts, vital hotels, longevity centres, wellness clinics, medical hotels, anti-ageing resorts, health resorts or medical tourism-friendly hotels. Multiple naming conventions does not necessarily increase the international guest flow, since the numerous concepts tends to create confusion and could lead to erroneous expectations about the service or product. On the medical side, H2H conversions bring a new dimension to hospitality and can be the bridge between the wellness and medical spheres. **Timeframe: MT to LT**
- Small-scale and simple developments, such as holistic and spiritual themed and focused retreats, is a key direction for development. Such projects do not need large investments and extensive maintenance and operations, but are built around the key message of the retreat and/or the leading guru/yogi or similar leader him/herself. Sri Lanka should be careful, however, with the development of 'leader based' retreats, since India's retreat market has been hit heavily by several scandals. Some ashram or retreat leaders have been known to jeopardize the mental state of their more fragile guests. Close supervision would be required so such incidents do not happen in Sri Lanka. Another possible development in this area could be 'herbal gardens'. This service would be based on the Japanese concept of shinrin-yoku (the practice of taking a leisurely visit to a forest for health benefits), and would be different from the existing 'spice gardens' that focus solely on exhibiting the spices available in Sri Lanka, not on the wellness and health aspects of those spices. **Timeframe: ST**

For all these new concepts, companies will need to focus on IP, using patents to protect new and original products and making use of GI accreditation for specifically regional or local concepts.

CERTIFICATION REQUIREMENTS

The paramount need is to establish a national certification system for wellness and traditional medicine service providers, while international certification options are needed to support the western medicine segment. Several certification options are available, but the key question is what the purpose of the certification is. National level certifications (such as those in India for traditional medicine as well as for hospitals) are aimed at quality and process improvement and assurance of service providers. International certifications, based on an international brand name, go beyond internal processes and quality assurance and are aimed at international medical tourists, but do not address wellness tourism. Several companies offer certification for hospitals and some of those specialize in medical tourism. There is no such globally recognised certification for wellness tourism.

In terms of international certification, Sri Lanka can consider the following:

- Joint Commission International (JCI) accreditation is considered essential in international medical tourism, but the accreditation is not tourism specific;
- Temos International certification is specifically tailored to hospitals and clinics aiming at medical tourism and international patient management;
- The Medical Tourism Association offers certification either for facilities or professionals;
- TÜV Hellas launched a Medical Tourism Friendly Hotel certification;
- Certification of hospitality services (such as hotels) relating to health/medical tourists' management is offered by Swiss Approval International or
- MTQUA certification.

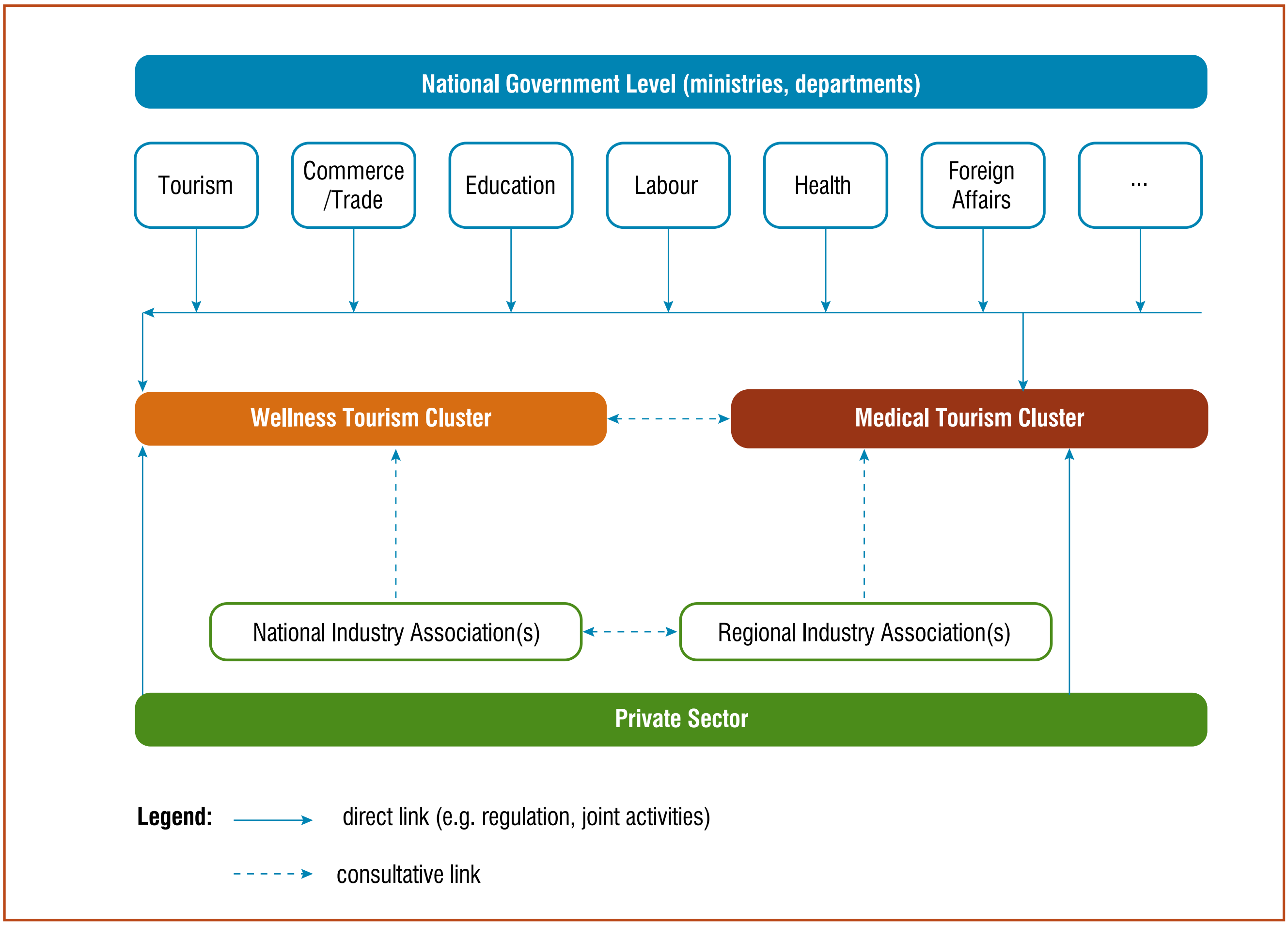
It must be emphasized that most certifications are for internal processes. Still, if a facility or service has been approved by a familiar certification body, guests can find certifications reassuring, especially in 'new' destinations. Should Sri Lanka decide to develop its own certification system, it should be approved by an international body. Operators should not have certifications for marketing purposes only. Prospective guests may have limited knowledge of most labels. Tourists appreciate transparent and trusted operations and like to know that, should something go wrong, there is help available to them either through legal redress or in services provided.

INSTITUTIONAL ADJUSTMENTS

Due to the complete absence of institutional coordination and support in the wellness and traditional medicine sectors, there is a need to fill that gap and initiate sector coordination through institutions in both segments. The wellness and western medicine segments have different characteristics and markets and will require two different institutional mechanisms. A proposed cluster structure is shown in Figure 12. The following institutional adjustments will need to be implemented:

- Establish two light institutional structures to coordinate the wellness and traditional health service providers and the western health service providers, respectively. A cluster's primary function will be to advocate sector concerns on regulation, capacity development, incubation of new ideas, quality assurance, promotion issues, branding and IP to the public sector.
- Build understanding about Ayurveda and traditional medicine offerings and how they differ from the western health approach through and among industry-appointed specialists within the SLTPB, SLTDA, DA, MOHNIM, PHSRC, SLC and DoIE. Visits to high quality wellness industry establishments for technical staff from these institutions will contribute to their understanding of the industry.
- Build the necessary understanding about IP tools within public institutions, as there is important promotional and branding work to be done to support and strengthen the sector. Professional IP work will ensure that the image of Sri Lankan wellness operators is well-protected against regional competitors.
- Establish SLTDA as the agency responsible for registration of wellness businesses (spa, with or without accommodation) and traditional health offerings (with or without accommodation) through an online registration and approval system (with the initial goal of a one week approval process).
- Establish an online hotel reporting system to be managed by the SLTPB or DoIE.

Figure 12: Wellness tourism and medical tourism clusters proposals



REGULATORY AMENDMENTS

In the wellness and traditional medicine segment, creation of quality assurance mechanisms and regulations is one of the major action areas needed to ensure the sector's proper operation and to secure the reputation of service providers. Key adjustments to be carried out are summarized below in Table 7:

Table 7: Regulation adjustments in the wellness and traditional medicine segment

Regulation adjustment	Purpose
Ayurveda Act No. 31 of 1961	Streamline the gazetting of the Ayurveda Act related to Ayurveda licensing in order to ensure consistent minimal quality standards in every Ayurveda-related establishment
Develop quality standards and classification	In order to add to the Ayurveda Act, an initial study of comparative markets in Malaysia, Thailand, Bali and other parts of Indonesia will be needed to understand their traditional medicine classification systems and implementation processes and to be able to adopt appropriate models
Develop licensing and regulation of spas	Develop a new compulsory regulatory and licensing system for 'spas', based on the categorization of spa-type establishments, in addition to company registration
Revise immigration regulation to include new categories	Revise immigration registration data definitions and add the following categories in order to obtain more accurate data: • Wellness • Ayurvedic treatments • Medical and hospitalization • Transit

INVESTMENT REQUIREMENTS

Investment in Sri Lankan tourism will need to be guided to avoid the generalization and commercialisation of natural and cultural assets in wellness and medical tourism. Some destinations in Southeast Asia have put their unique assets at risk due to the lack of a clear development direction. Without the needed support and regulatory mechanisms, the commercialisation of assets and market saturation led to 'over tourism'.

Investments should be directed or initiated in the following areas, outlined in Table 8:

Table 8: Investment requirements

Need for investment	Purpose
Controlled promotion to international leaders	International hotel and spa establishments can be encouraged to invest based on pre-defined guidelines (and supported by certification for services and facilities).
Refining the 'Spa Ceylon' brand	Define what 'Spa Ceylon' should be, and the use of tea in treatments and products. Examine the possibility of developing new products based on tea.
Increase local raw material production	Manufacture products required for Ayurvedic treatments using local and traditional resources.
Incentivize and support existing investors	Facilitate the approval of construction permits for existing investors in the wellness and traditional health tourism sector that are certified to national standards, once these are developed.
Growing the wallapatta tree	Wallapatta trees have an important commercial value. Growing almost exclusively in Sri Lanka, the tree could be a valuable input for the wellness tourism industry. Some of the tree's parts are used to manufacture perfume products. Investment in wallapatta tree nurseries could minimize smuggling of the plant, which impacts the environment.

MOVING TO ACTION

THE STRATEGIC FRAMEWORK

The strategic objectives guide the Strategy's implementation in order to achieve the vision laid out by the industry. The PoA will respond to this vision by addressing the sector's constraints and leveraging opportunities in a comprehensive manner. To this end, particular efforts will be made in relation to the following strategic objectives:

Figure 13: Strategic framework

Develop coordination in tradition and western health tourism	Set up a quality assurance system for wellness and traditional health systems	Build information about the Sri Lankan health tourism sector and about its target markets
• Establish clusters in traditional and western health tourism (including medical and wellness tourism services providers and related bodies and organizations) • Strengthen institutional knowledge on wellness and traditional medicine • Establish a one-stop shop for new businesses by SLTDA	• Support Sri Lanka-specific product development • Establish a quality assurance mechanism for the training in traditional medicine • Amend the regulation for wellness and traditional health providers • Foster recognition of Ayurveda as an official medical treatment within international insurance systems	• Promote western health offers • Promote traditional health offers • Conduct a national promotional campaign on wellness tourism • Develop statistics for the wellness tourism sector • Provide market information to different sub-segments of the health tourism industry

STRATEGIC OBJECTIVE 1: DEVELOP COORDINATION IN TRADITIONAL AND WESTERN HEALTH TOURISM SEGMENTS

The first step in developing wellness tourism in Sri Lanka will be to establish all required institutional frameworks. This strategic objective focuses on establishing clusters in the two main activity areas and on improving institutional capacities, which translates into the three following operational objectives:

- Establish clusters in traditional and western health tourism (including medical and wellness tourism).
- Strengthen institutional knowledge on wellness and traditional medicine.
- Establish a one-stop shop for new businesses by SLTDA.

STRATEGIC OBJECTIVE 2: STRENGTHEN THE QUALITY OF AND DIVERSIFY SRI LANKAN WELLNESS AND MEDICAL OFFERS

The second strategic objective focuses on quality, in order to limit the entry of opportunistic operators in the sector. It also looks to support the diversification of the existing wellness and health-related offers in directions identified in this Strategy. Once new offers are in place and a clear and transparent quality insurance system is established, classification and promotion among foreign insurance systems will be supported. This is outlined in these four operational objectives:

- Support Sri Lanka specific product developments (such as 'Ceylon Spa' or 'Sri Lanka Well-being').
- Establish a quality assurance mechanism for training in traditional medicine.
- Amend the regulation for wellness and traditional health providers.
- Foster recognition of Ayurveda as an official medical treatment within international insurance systems.

STRATEGIC OBJECTIVE 3: BUILD INFORMATION ABOUT THE SRI LANKAN HEALTH TOURISM SECTOR AND ABOUT ITS TARGET MARKETS

The last strategic objective concentrates on promotion efforts and reinforcing information about the segment and for the operators themselves. Promotion will be a key action area in order to build knowledge about Sri Lankan offerings in new markets. This promotion and sensitization will also need to focus at the national level to improve the reputation of the industry and increase the labour supply, especially in the local communities.

- Promote western health offers,
- Promote traditional health offers,
- Conduct a national promotional campaign on wellness tourism,
- Develop statistics for the wellness tourism sector,
- Provide market information to different sub-segments of the health tourism industry,

IMPLEMENTATION FRAMEWORK

The objective of the Sri Lanka Wellness Tourism Strategy is to establish a clear framework to guide the development of the nascent industry so that Sri Laka becomes the preferred destination for well-being tourism. Achieving this ambitious objective will depend on the industry's ability to implement the activities defined in this Strategy. As a primary intervention in order to structure the sector's development, it is recommended that the following interventions be implemented with priority:

- Strengthen the institutional framework governing the wellness tourism sector and its policies;
- Build the operational, business and innovation capacities of sector operators, and
- Establish the required regulatory framework to ensure the quality of wellness-related services.

These immediate quick win-activities are necessary to initiate successfully the Strategy's implementation and to create rapid industry growth.

MANAGING FOR RESULTS

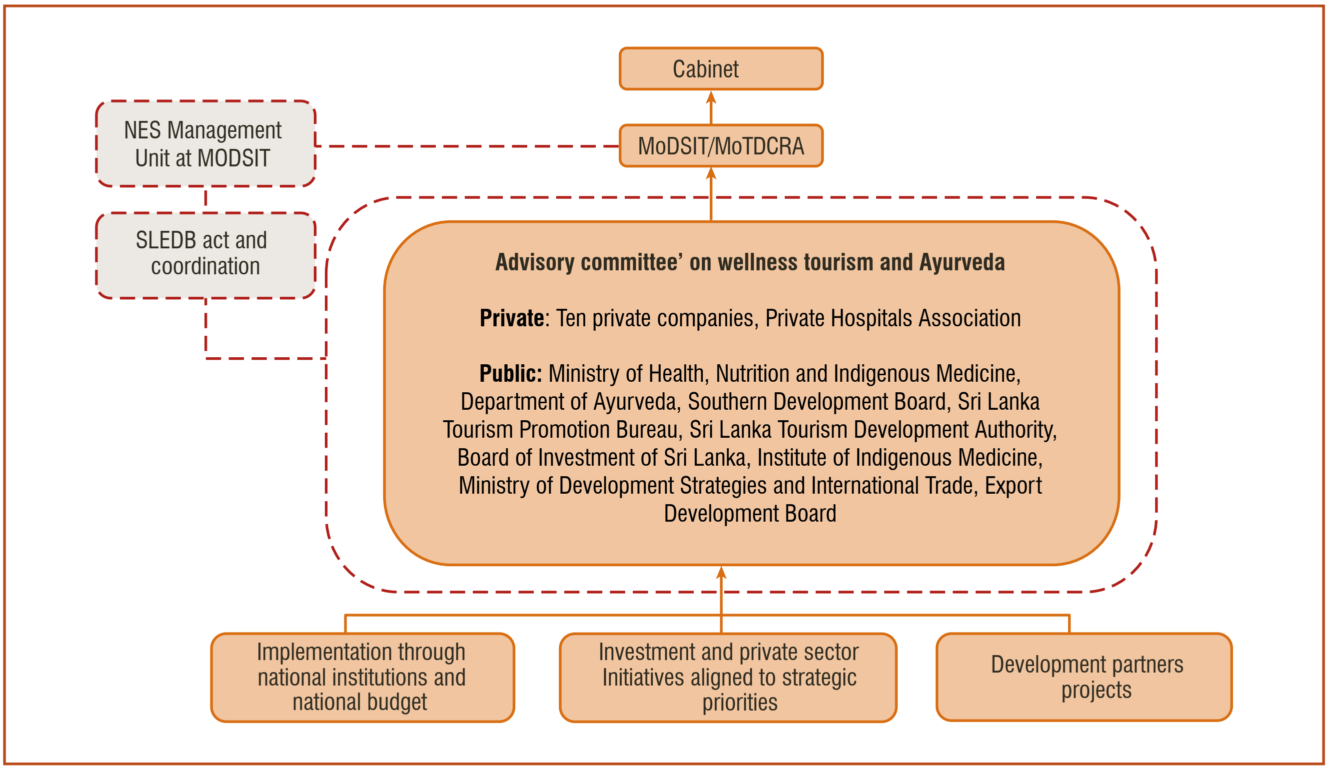
It is the translation of these priorities into implementable projects that will achieve the substantial increase in export earnings and export competitiveness envisaged under the Strategy. This achievement will be driven by reforming the regulatory framework; optimising institutional support to exporters and strengthening private sector capacity to respond to market opportunities and challenges. The allocation of human, financial and technical resources is required to efficiently coordinate, implement and monitor overall implementation.

Photo: ITC

Success in executing activities will depend on stakeholders' ability to plan and coordinate actions in a tactical manner. Diverse activities must be synchronized across public and private sector institutions to create sustainable results. This requires the fostering of an adequate environment and create an appropriate framework for successful implementation.

Key to achieving targets will be coordination of activities, progress monitoring and mobilization of resources for implementation. Industry representatives recommended that a public-private 'advisory committee' for the wellness tourism industry be rapidly established, operationalised and empowered. The 'advisory committee' is to be responsible for overall coordination, provision of policy guidance and the monitoring of industry development in relation to the Strategy.

Figure 14: Institutional framework for wellness tourism industry development



Wellness tourism 'committee'

The Export Development Act (1979) grants SLEDB that 'On the advice from the Board, the Minister may by Order in the Gazette, establish advisory committees the development and promotion of certain products, product groups and commodities as well as functional aspects of trade.' Additionally, 'Each such advisory committee shall have the power to fix and regulate its own procedure, including the power to determine the number of members necessary to form a quorum at its meeting.' The advisory committees have the function '…to advise the Board on any or all of the matters which the Minister considers necessary for the purposes of carrying out or giving effect to the principles and provisions of this Act.'

A wellness tourism advisory committee has been established in February 2018 by the Minister of MoDSIT and effectively organized by EDB to give the industry the capacity to steer its development strategically. The Advisory Committee on Wellness tourism and Ayurveda is be composed of the following members:

- Ten private companies
- Private Hospitals Association
- Ministry of Health, Nutrition and Indigenous Medicine
- Department of Ayurveda
- Southern Development Board
- Sri Lanka Tourism Promotion Bureau
- Sri Lanka Tourism Development Authority
- Board of Investment of Sri Lanka
- Institute of Indigenous Medicine
- Ministry of Development Strategies and International Trade
- Export Development Board

The advisory committee is empowered to meet quarterly and implement the following functions:

i. Create a shared understanding of key market challenges and opportunities facing the sector;
ii. Set goals and targets that, if achieved, will strengthen the sector's competitive position and enhance Sri Lanka's overall capacity to meet the changing demands of markets;
iii. Propose key policy changes to be undertaken and promote these policy changes among national decision makers;
iv. Support the coordination, implementation and monitoring of activities in the sector by the Government, private sector, institutions or international organizations to ensure alignment to goals and targets, and as required contribute to resource identification and alignment.

This strategy recommends that two distinct light institutional structures are setup for, respectively, the wellness and traditional medicine sector and the western medicine tourism sector. Once the collaborative dynamic is established, the advisory committee can be split into two distinct clusters to cover sub-sector specific problems.

KEY SUCCESS FACTORS FOR EFFECTIVE IMPLEMENTATION

The presence of the advisory committee to oversee the implementation of the Strategy is a key success factor but it is not sufficient to effectively fulfil its assigned functions.

Private sector support and participation in implementation

The private sector clearly expressed its willingness to contribute, directly or in partnership with public institutions, to the implementation of the Strategy. Their implementation efforts can range from providing business intelligence to institutions to contributing to project design, promotion, branding, policy advocacy, etc. The private sector's practical knowledge of business operations is essential to ensuring that the Strategy remains aligned to market trends and opportunities.

Proactive networking and communication

The key implementing institutions mentioned in the PoA need to be informed of the Strategy's content and the implications for their 2018–2022 programming. This networking and communication is essential to build further ownership and provide institutions with the opportunity to confirm the activities that they can implement in the short-to-long-term. It will be important for SLEDB, MODSIT and members of the advisory committee to reach out to relevant institutions nationally to create awareness and support for wellness tourism industry development.

Resources for implementation

The advisory committee, in collaboration with the SLEDB and NES Management Unit at MODSIT, will need to leverage additional support for efficient implementation of this Strategy. Effective planning and resource mobilisation is indispensable in supporting strategy implementation. Resource mobilisation should be carefully planned and organised.

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As the wellness tourism industry is a priority of the NES, the Government of Sri Lanka should define annual budget allocations and supports to drive industry growth. This commitment will demonstrate clear engagement to strengthening the sector and will encourage private partners to support development. In addition to national budget support, resource identification will require the BOI to effectively target foreign investors in line with the priorities of the Strategy, such as identifying potential investors for wallapatta tree cultivation.

Investment flows to Sri Lanka should also be considered as a valuable driver of strategy implementation and overall industry development.

The various implementation modalities detailed will determine the success of Strategy implementation. However, high-level support from the Government, in collaboration with strong championship by the private sector, will be the real driver of successful Strategy implementation.

To achieve the Strategy's vision and these strategic objectives, a robust, actionable, realistic and strategic PoA is required. This is provided in the section below, and is the heart of this Strategy.

The PoA is structured according to the three strategic objectives and the operational objectives described above. For each objective, the PoA outlines detailed activities and their implementation modalities, which include:

- **Priority level:** Priority 1 is the highest and 3 the lowest.
- **Start/end dates:** The desired timeframe of the activity.
- **Targets:** Quantifiable targets which allow monitoring of the completion of the activity during implementation stage.
- **Leading implementing partners:** One single accountable lead institution per activity. The institution can have a technical role or can operate solely in an oversight and coordination capacity.
- **Supporting implementing partners:** Any institution that should be involved at any stage of the activity's implementation.
- **Existing programmes or potential support:** Existing initiatives ongoing in the specified area of the activity.
- **Cost estimation (US$):** An estimate of the activity's cost for the total implementation period.

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PLAN OF ACTION 2018-2022

Strategic objectives	Operational objectives	Activity	Priority	Start date	End date	Targets	Leading implementing partners	Supporting implementing partners	Indicative costs (USD)
1: Develop coordination in traditional and western health tourism	1.1 Establish clusters in traditional and western health tourism (including medical and wellness tourism)	1.1.1 Establish a light institutional structure to coordinate the wellness and traditional health service providers. The cluster will have as first primary function to advocate sector concerns to the public sector, specifically concerning regulation, quality assurance and promotion issues.	1	01/04/2018	31/08/2018	Establish the Cluster	Department of Ayurveda	Ministry of Tourism Development and Christian Affairs; Export Development Board; Sri Lanka Tourism Development Authority	65,000
		1.1.2 Establish a light institutional structure to coordinate the western health service providers. The cluster will have as first primary function to advocate sector concerns to the public sector, specifically concerning promotion issues.	1	01/04/2018	31/12/2018	Establish the cluster	To be finalized by Private Healthcare Services Regulatory Council (PHSRC)	Export Development Board; Sri Lanka Tourism Development Authority; Tourism Promotion Bureau	35,000
	1.2 Strengthen institutional knowledge on wellness and traditional medicine	1.2.1 Build understanding within SLTPB, SLTDA, the Ayurveda department, MoHNIM, PHSRC, customs and immigration about Ayurveda and traditional medicine offer and the difference with western health offer by industry-appointed specialists. Technical staff appointed in these institutions to be taken to visits in well-performing hotels and establishments in wellness and health tourism.	2	01/04/2018	31/12/2022	Training to be conducted annually to all the institutions At least 1 visit per institution per year.	Department of Ayurveda	Export Development Board; Sri Lanka Tourism Development Authority; Tourism Promotion Bureau	350,000
		1.2.2 Provide training to SLTDA, the Ayurveda department, MoHNIM on IP tools role in branding activities, and especially on the use of certification marks. Pursue training to SLTPB staff. Support all the mentioned institutions developing guidelines and advice to industry representatives.	2	01/04/2018	31/12/2022	Training to be conducted annually to all the institutions	National Intellectual Property Office	Export Development Board; Sri Lanka Tourism Development Authority; Tourism Promotion Bureau	40,000
	1.3 Establish a one-stop shop for new businesses by SLTDA	1.3.1 Establish SLTDA as the responsible agency for registration of businesses in wellness (spa, with or without accommodation) and traditional health offer (with or without accommodation) and improve their online registration and approval system, to increase transparency on the process – including notification system and automation (working towards initially a one week service approval). Add a 1-day service at a higher price. Priority treatment for premium.	1	01/04/2018	31/12/2018	Establish one stop shop and an online registration system through a gazette notification in the first quarter 2018	Sri Lanka Tourism Development Authority	Export Development Board; Department of Ayurveda	35,000
2: Strengthen quality and diversify Sri Lankan wellness and medical offers	2.1 Support Sri Lanka wellness and traditional health new services development	2.1.1 Support development of new services in the wellness and traditional health sector on the new products identified in the strategy (i.e. regions-based product and brand, wellness or medical approach for settlements or communities, multifunctional facilities, self-contained and wellness or medical dedicated resort complexes, small-scale and simple developments including mediation and herbal gardens) through: • Orientation of R&D initiatives in these areas and communication of the results to the private sector operators. • Attraction of investment in these areas. • Development of promotion strategies for each service. • Branding of the services in connection with the national tourism branding.	1	01/04/2018	31/12/2019	R&D activities conducted on these areas At least 1 new investment per are in 5 year period Promotion and branding developed in connexion with new areas	Export Development Board	Sri Lanka Tourism Development Authority; Tourism Promotion Bureau; Department of Ayurveda	50,000
		2.1.2 Identify suitable IP rights to provide protection to newly developed products and develop international strategies for registration of brands (trademarks, collective marks, or patents in case of inventive products).	1	01/01/2019	31/12/2022	Support provided on IP registration for all new areas identified	Export Development Board	Sri Lanka Tourism Development Authority; Tourism Promotion Bureau; Department of Ayurveda	50,000

Strategic objectives	Operational objectives	Activity	Priority	Start date	End date	Targets	Leading implementing partners	Supporting implementing partners	Indicative costs (USD)
2: Strengthen quality and diversify Sri Lankan wellness and medical offers	2.2 Establish a quality assurance mechanism of the training in traditional medicine	2.2.1 Wellness and traditional health cluster to request SLSI to establish a standardization committee on Ayurveda and traditional medicine by developing national standards on the following topics: • Specialized personnel qualification on traditional medicine • Manufactured medication (including on imports) • Ayurveda-specialized establishments • Herbs and plants (freely available or restricted or internationally banned)	1	01/04/2018	31/12/2018	Standardization Committee setup	Department of Ayurveda	Sri Lanka Standards Institution (SLSI); Export Development Board; Wellness & Traditional health cluster	-
		2.2.2 Require tour operators to use only the registered and certified list of service providers in wellness and traditional health offer. Enable Enforcement Unit to effectively regulate operations of service providers.	3	01/04/2018	31/12/2022	Regulations for tour operators should be formulated and enforcement unit operationalized.	Sri Lanka Tourism Development Authority	Association of Small and Medium Enterprises in Tourism Sri Lanka; Tourist Hotels Association; Sri Lanka Asscoiation of Inbound Tour Operators (SLAITO)	50,000
		2.2.3 Guide the informal sector and SMEs to register through mobile registration programmes in regions by SLTDA. Invite registered players in these programmes to present advantages to register to smaller players.	2	01/04/2018	31/12/2022	At least 5 mobile registration campaigns per year	Sri Lanka Tourism Development Authority	Export Development Board; Tourism Promotion Bureau	50,000
	2.3: Amend the regulation for wellness and traditional health providers	2.3.1 Study tour in Kerala to be conducted on the following subjects in view of aligning Sri Lankan regulation: • Ayurvedic quality standards and classification and add to the regulation developed through the SLTDA. • Western medical – study on insurance system registration. Develop a detailed regulation proposal using Kerala's example, and also taking ideas from Malaysia, Thailand, Bali, and Indonesia on the regulations and the implementation processes. Adopt appropriate models in upgrading the existing local regulation. Senior officer from Department of Ayurveda to be appointed as the resulting regulatory body.	2	01/04/2018	31/12/2018	Study tour completed Regulation proposal developed	Sri Lanka Tourism Development Authority	Export Development Board; Tourism Promotion Bureau; Department of Ayurveda	70,000
		2.3.2 Streamline the gazetting of the draft regulation on Ayurveda licensing by within one year	1	01/04/2018	30/06/2018	Regulation is gazetted	Sri Lanka Tourism Development Authority	Department of Ayurveda; Wellness & Traditional health cluster	-
		2.3.3 Develop a regulation and a licensing system for "spas", in addition to the company registration act (based on the categorization of spa-type establishments)	2	01/04/2018	31/12/2018	Regulation is gazetted	Sri Lanka Tourism Development Authority	Department of Ayurveda; Wellness & Traditional health cluster	7,000
		2.3.4 Digitize and streamline the approval of construction permits for investors in the wellness tourism and traditional health sector that are certified to national standards, once these are developed.	3	30/06/2018	31/12/2018	Streamline and expedite approval process efficiently resulting in online approval process.	Sri Lanka Tourism Development Authority	Board of Investment (BOI); Urban Development Authority	70,000
	2.4: Foster recognition of Ayurveda as an official medical treatment within international insurance systems	2.4.1 Use diplomatic representations and Sri Lankan as well as local physicians with international recognition in target market countries (Europe and Japan) to lobby for recognition of Ayurvedic medical treatments in medical insurance systems based on clinical evidence which is in line with the given country's clinical approval procedures Bring international insurance consultants to advise and harmonize nomenclature used by insurance companies with local western.	3	01/04/2018	31/12/2020	Lobbying campaign carried out through Embassies over 3 years	Export Development Board	Ministry of Foreign Affairs; Sri Lanka Tourism Development Authority; Department of Commerce	50,000

Strategic objectives	Operational objectives	Activity	Priority	Start date	End date	Targets	Leading implementing partners	Supporting implementing partners	Indicative costs (USD)
3: Build information about the Sri Lankan health tourism sector and about its target markets	3.1 Promote western health offer	3.1.1 Develop a specific promotional campaign in regional flights and TV spots on info channels, especially to Pakistan, GCC, Bangladesh and East and South African countries for Sri Lankan high quality and competitive price medical offer, including dental medical offer. New products/services to be emphasised are : • long term care : improve quality of life for people with multiple non-curable diseases • Cure on special chronic disorders	1	01/04/2018	31/12/2022	Promotional campaign initiated and carried out	Export Development Board	Board of Investment (BOI); Tourism Promotion Bureau; Ministry of Health, Nutrition & Indigenous Medicine	200,000
		3.1.2 Develop promotional materials for the use of IP rights tools based related to the existing wellness/ traditional medicine that is being promoted. Support in the IP registration in target markets.	1	01/04/2018	31/12/2022	Support materials on IP developed and distributed Up to 10 registrations facilitated	National Intellectual Property Office	Export Development Board; Sri Lanka Tourism Development Authority; Tourism Promotion Bureau	10,000
	3.2 Promote traditional health offer	3.2.1 With consultation to the wellness and traditional health cluster, develop specific promotional campaigns for the following target markets/age groups: • Japan (20-40) • Switzerland (30-70) • Northern Europe (30-70) • Russia (30-50) – new healthseeking segment • UK (30-60)	1	01/04/2018	31/12/2022	Promotional campaign initiated and carried out	Export Development Board	Board of Investment (BOI); Tourism Promotion Bureau; Ministry of Health, Nutrition & Indigenous Medicine	300,000
		3.2.2 Establish contacts with specialist tour operators, medical tourism facilitators in target markets as well as local alternative healing specialists.	2	01/04/2018	31/12/2022	Contact established in each target market	Export Development Board	Board of Investment (BOI); Tourism Promotion Bureau; Department of Ayurveda	10,000
		3.2.3 Develop materials for IP tools based on the existing Sri Lanka western medical branding that is being promoted. Support in the IP registration in target markets.	1	01/04/2018	31/12/2022	Support materials on IP developed and distributed Up to 10 registrations facilitated	National Intellectual Property Office	Export Development Board; Sri Lanka Tourism Development Authority; Tourism Promotion Bureau	20,000
	3.3 Increase interest for the wellness tourism as a carrier path	3.3.1 Promote the wellness and traditional health sector in upper education as a promising and valuable carrier path and a way to promote Sri Lanka's traditions and reputation in the world through tourism. Promote the existing universities' offer in : • Colombo (IIM) • Kalaniya (GJAI) • Jaffna (ISM) • Eastern universities (IS)	1	01/04/2018	31/12/2022	Programme initiated and conducted throughout.	Sri Lanka Tourism Development Authority	Ministry of Education; Export Development Board; Tourism Promotion Bureau; Wellness & Traditional health cluster; Sri Lanka Institute of Tourism & Hotel Management (SLITHM)	700,000
		3.3.2 Integrate curricula on tourism, hospitality, international trends, marketing, branding and IP, in connection with traditional medicine studies.	2	01/04/2018	31/12/2022	New modules integrated	Sri Lanka Institute of Tourism & Hotel Management (SLITHM)	University of Colombo ; University of Jaffna	200,000

Strategic objectives	Operational objectives	Activity	Priority	Start date	End date	Targets	Leading implementing partners	Supporting implementing partners	Indicative costs (USD)
3: Build information about the Sri Lankan health tourism sector and about its target markets	3.4 Develop statistics for the wellness tourism sector	3.4.1 Amend the immigration registration by adding three additional categories in order to get more accurate data : • Wellness • Ayurvedic treatments • Medical and hospitalization • Transit	2	01/04/2018	30/09/2018	Registration Process amended	Department of Immigration and Emigration	Sri Lanka Tourism Development Authority	-
		3.4.2 Establish an online hotel reporting system to be managed by the Tourism Board or immigration. SLTDA to collect and prepare data base on Hotels operating Ayurveda Health Care Centers and Spa & Wellness Centers.	3	01/04/2018	31/12/2022	Online Reporting System in place	Sri Lanka Tourism Development Authority	Tourism Promotion Bureau; Department of Immigration and Emigration	100,000
		3.4.3 Constitute a database for TK related to herbs and ingredients used in Sri Lankan Ayurveda and traditional medicine, which distinguishes it from the neighbouring countries. Explore the potential protection of confidential information.	3	01/04/2018	31/12/2022	Database constitute and protected	Department of Ayurveda	National Intellectual Property Office	40,000
	3.5 Provide market information to different sub-segments of the health tourism industry	3.5.1 Strengthen wellness and traditional health-specific market intelligence provision to private sector within EDB by setting up a monitoring cell accessible through registration fee. The monitoring of information should focus on Western and Japanese wellness tourism trends, global figures, and competitors in the region.	3	01/04/2018	31/12/2022	Dedicated new portal in place	Export Development Board	Sri Lanka Tourism Development Authority; Tourism Promotion Bureau; Wellness & Traditional health cluster	100,000
		3.5.2 Develop an Ayurvedic Embassy networks in Sri Lanka. Create informal networks of employees in Ayurveda Spas in Germany and Austria (networking events, social media groups, etc.), and channel information about these markets to Sri Lanka through Embassies to EDB.	3	01/04/2018	31/12/2022	Ayurveda Embassy network established	Export Development Board	Sri Lanka Tourism Development Authority; Tourism Promotion Bureau; Wellness & Traditional health cluster	30,000

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ANNEXES

APPENDIX 1:
LIST OF PARTICIPANTS IN THE PUBLIC-PRIVATE CONSULTATIONS

No.	Name	Designation	Name of Institution
1	Dr. R.L. Ranasinghe	Registrar	Ayurvedic Medical Council
2	Mr. Danister L. Perera	Former Registrar -Medical Council	Ayurvedic Medical Council
3	Dr. (Mrs) Swarna Kaluthotage	Director	Bandaranaike Memorial Ayurvedic Research Institute
4	Dr. D.H. Thennakoon	Medical Officer	Bandaranaike Memorial Ayurvedic Research Institute
5	Ms. Geetha Karandawala	Director	Barberyn Ayurveda Resort
6	Mr. Buwanake Kulatilleke	Owner's Representative	Barberyn Beach Ayurveda Resort
7	Mr. D.M.N. Dissanayake	Deputy Director - Investment Appraisal	Board of Investment (BOI)
8	Mr. W.S. Alwis	Assistant Director	Board of Investment (BOI)
9	Mr. M.S. Hadunge	Senior Assistant Director	Central Bank of Sri Lanka
10	Ms. I.V.N. Preethika Kumudinie	Deputy Chief Secretary (Planning) /SP	Chief Secretary's Office - Galle
11	Mr. Lahiru Samaranayeka	F & B Manager	Club Palm Bay Hotel
12	Mr. Lalith Kumarasinghe	-	Club Palm Bay Hotel
13	Dr. Parakrama Wijayanaga	Doctor in Ayurveda	Department of Ayurveda
14	Mr. H.M.M.U.B. Herath	Provincial Director	Department of Trade, Commerce & Tourism – Central Province
15	Mr. Chanaka Kariyawasam	Chief Executive Officer	Galle Chamber of Commerce
16	Mr. Lankesha Ponnamperuma	Manager	Hikka Tranz By Cinnamon
17	Ms. Nimalka Morahela	Proprietor	HnA Consulting & Events
18	Dr. Swarna Hapuarachchi	Director	Institute of Indigenous Medicine
19	Dr. A.H. Mohammed Mawjood	Senior Lecturer	Institute of Indigenous Medicine
20	Dr. Dinesh Edirisinghe	Head of Ayurveda	Jetwing Hotel
21	Mr. Ananda De Silva	Business Development Manager	Jetwing Lighthouse
22	Mr. Suresh D. De Mel	Director	Hambantota District Chamber of Commerce
23	Dr. Prasad Medawatte	Chief Executive Officer	Lanka Hospitals Corporation PLC
24	Ms. Tehania Samarasekara	Manager- International Patient Care Services	Lanka Hospitals Corporation PLC
25	Mr. D.K.R. Dharmapala	Chief Executive Officer	Lanka Sportreizen
26	Mr. Chamindika Jude Samaraweera	Managing Director	Medical Tourism (Pvt) Ltd
27	Dr. T. Weerarathna	D/D Technical	Ministry of Health, Nutrition and Indigenous Medicine
28	Dr. K. Ariyarathne	Director-Private Health sector Development	Ministry of Health, Nutrition and Indigenous Medicine
29	Dr. E. Rajapakshe		Ministry of Health, Nutrition and Indigenous Medicine
30	Dr. (Mrs) Diana Gunawardena	Chairperson	Mystical Rose Health & Leisure Care (Pvt) Ltd
31	Mr. Dinesh Gunawardena	Director	Mystical Rose Health & Leisure Care (Pvt) Ltd
32	Ms. Supuli Sililari	Managing Director	Nature Healing Ayurveda Products
33	Mr. D.A.H. Dharmapala	Promotion Manager	Ruhunu Tourism Bureau
34	Mr. Ushan Edirisinghe	Senior Marketing Manager-Leisure	Siddhalepa Ayurveda Resorts & Spas

No.	Name	Designation	Name of Institution
35	Mr. Shehan Ramanayake	Consultant (Tourism)	Southern Development Board
36	Mr. Prema Cooray	Chairman	Sri Lanka Convention Bureau
37	Mr. Palitha Gurusinghe	President	Sri Lanka Ecotourism Foundation
38	Mr. Anura Alahapperuma	Head /Tourism Event Mgt.	Sri Lanka Institute of Tourism & Hotel Management
39	Mr. Sarath Kumara	Senior Lecturer	Sri Lanka Institute of Tourism & Hotel Management
40	Mr. Chandana Wijeratna	Director-Standard & Quality Assurance	Sri Lanka Tourism Development Authority (SLTDA)
41	Ms. Rajeeka Ranathunga	Assistant Director - International Relations	Sri Lanka Tourism Development Authority (SLTDA)
42	Mr. Waruna Ettipola	Assistant Director - Standards & Quality Assurance	Sri Lanka Tourism Development Authority (SLTDA)
43	Mr. Dayasiri Fernando	Assistant Director	Sri Lanka Tourism Development Authority (SLTDA)
44	Mr. Indrajith De Silva	Director - Destination and Social Responsibility	Sri Lanka Tourism Promotion Bureau
45	Mr. Rohan Abeywickrama	President	The Association of Small and Medium Enterprises in Tourism (ASMET)
46	Mr. M.B. Jayarathne	Vice President	The Association of Small and Medium Enterprises in Tourism (ASMET)
47	Mr. Sanath Ukwatte	President	The Hotels Association of Sri Lanka
48	Mr. M. Thanthirimudali	-	Tour Guide Association
49	Ms. Rashmi Mather	-	Tourism Task Force
50	Mr. Chandana Hettiarachchi	Secretary	Tourist Drivers Association - Kandy
51	Mr. C. Perera	Duty Secretary	Tourist Drivers Association - Kandy
52	Mr. Wilhelm E. Brown	President	Travel Agents Association of Sri Lanka (TAASL)
53	Mr. Shibly Shamsudeen	Director Operations	Traveller Global (Pvt) Ltd
54	Mr. A.S. Thenuwara	Managing Director	Tree of Life (Pvt) Ltd
55	Dr. Nishantha Sampath Punchihewa	Senior Lecturer & Attorney at Law	University of Colombo
56	Mr. M.K.S.K. Maldeni	Director – Export Services	Export Development Board
57	Mr. C. Amerasinghe	Deputy Director	Export Development Board
58	Mrs. Vajira Kularathna	Assistant Director	Export Development Board

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APPENDIX 2:
INSTITUTIONAL ASSESSMENT RESULTS

Name of institution	Description	Coordination of interventions in sector	Human and financial capacity	Influence on sector development
Policy support				
Ministry of Tourism Development and Christian Religious Affairs	Policy formulating body and providing necessary infrastructure for the sector.		No wellness tourism specific department	
Ministry of Health, Nutrition and Indigenous Medicine	Policy formulating and specifically concerning the Ayurveda and traditional medicine practices.	No standards	Wellness/ traditional medicine	Wellness/ traditional medicine
			Western medicine	Western medicine
Department of Ayurveda under MoHNIM	Department responsible for Ayurveda under the Ministry of Health.	Licence takes one year		
Trade support				
Sri Lanka Tourism Promotion Bureau	Government body responsible for handling all marketing and promotional activities related to the travel and tourism industry of Sri Lanka.			
Sri Lanka Customs	Customs administration is a department under the Ministry of Finance and Mass Media.	For Ayurvedic retail: stopping products for which primary ingredients are not grown locally.		
Sri Lanka Tourism Development Authority	Governmental agency responsible for research and statistics, planning and development, marketing and promotion, regulation of tourist facilities and services and manpower development.			
Board of Investment	The central facilitation point for investors, providing assistance and advice throughout the investment process.	Other sectors are prioritized	No specific staff - but high for other sectors	
Export Development Board	Sri Lanka's apex organization for the promotion and development of exports.	Initiatives exist for certification		
Business support				
Ecotourism Foundation of Sri Lanka	Community based tourism promotion, ecotourism, wellness tourism.			
Chauffer Tourist Guide Lecturers Association of Sri Lanka	Thought setters among tourists on the wellness related.			

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Ministry of Development Strategies
and International Trade

Sri Lanka Export Development Board

International
Trade
Centre

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Developed as part of the EU-Sri Lanka Trade-Related
Assistance project, funded by the European Union (EU)