

PN-ABP-385

MA 7000

MAHAWELI ENTERPRISE DEVELOPMENT

MED/EIED PROJECT

(USAID/Sri Lanka Project No. 383 - 0090)
(Contract No. C-00-0031-00)

STUDY OF THE TOURISM DEVELOPMENT IN THE UDA WALAWE AREA

A short-term consultancy report
by
TEAMS (Pvt.) Limited

July, 1991

Report 8/1991



INTERNATIONAL SCIENCE AND TECHNOLOGY INSTITUTE, INC.

WITH :

ERNST & YOUNG CONSULTANTS (Sri Lanka)
DEVELOPMENT ALTERNATIVES, INC.
HIGH VALUE HORTICULTURE, PLC.
SPARKS COMMODITIES, INC.
AGROSKILLS, LTD

CONSULTANTS TO THE MAHAWELI AUTHORITY OF SRI LANKA

The Mahaweli Enterprise Development Project

The Government of Sri Lanka and the international donor community have given high priority to the development of the natural and human resources of the Mahaweli river basin. The first phase of this development, the construction of dams, irrigation and power systems, roads and other physical infrastructure, is largely complete. The second phase, settling the land and forming an agricultural production base, is well under way. The third phase, the major challenge for the 1990's, is the building of a diverse and dynamic economy, improving employment and income prospects for Mahaweli settlers and their families. In this phase the private sector has a leading role to play.

The Mahaweli Enterprise Development Project (MED) is a USAID-supported initiative of the Mahaweli Authority of Sri Lanka to promote investment and business development in agribusiness, manufacturing, tourism, minerals and services. MED directly assists small, medium and large-scale investors with technical assistance, marketing support, training, business advisory services and credit. MED also provides policy assistance to improve access to resources, such as land, water and capital, and the legal and institutional framework for enterprise development.

The official MED implementing agency is the Employment, Investment and Enterprise Development Division of the Mahaweli Authority. The main MED technical consultancy is provided by a consortium led by the International Science and Technology Institute, Inc., a private consulting firm with head offices in Washington DC. Other firms in the consortium are Agroskills, Development Alternatives, Ernst and Young, High Value Horticulture and Sparks Commodities. Marketing services are provided by SRD Research and Development Group, Inc.

PREFACE

This report was prepared by TEAMS (Pvt.) Limited, on behalf of ISTI for the EIED of the MASL. The views and proposals expressed in the report are those of the consultants and do not necessarily represent the views of ISTI, the MASL or USAID, the funding agency.

EXECUTIVE SUMMARY

The main objectives in developing tourism in the Uda Walawe area are to generate direct and indirect employment opportunities for the people of the area and to promote investment in new activities within the area.

The attractions in the area can be grouped as (1) Natural attractions, (2) historical sites, (3) man-made attractions, (4) activities and (5) events. The main focus of attraction or the "piece de resistance" should be the **Uda Walawe National Park** and it is recommended from a marketing point of view to rename the park as "**Wild Elephant Park of Uda Walawe**", and to provide certain basic facilities including a ticketing office at the entrance to the park. Aspects which demand immediate action are the safe guarding of the pristine condition of the **Wavulpane Caves** and the restoration of the **Wallalgoda Temple** in coordination with the Archaeological Department. Development work is recommended for the **Hot Springs of Mahapelessa** to provide a package of benefits to visitors at a subsequent stage.

As this area is at present bypassed by the tour operators, a promotional campaign to create awareness should be initiated. This will take the form of familiarisation tours, creation of publicity material like video films and brochures and soliciting publicity through the media.

The following **three broad groups of prospective visitors** have been identified and different benefits should be offered through communication and promotional strategies evolved to suit these groups. a) Group traveller b) Freelance traveller and special interest traveller c) Youth traveller and domestic traveller.

In order to reap the real benefits of tourism the area should be equipped with facilities to retain the tourists. The "**Centuria Hotel**" at Embilipitiya which now has 15 rooms (30 beds) should be expanded by the addition of another 15 rooms and subsequently at a later stage going upto a total of 50 rooms (100 beds). We have also located a site on the **Tanamalwila Road** which we consider is the ideal spot to set up a **tourist hotel within the Uda Walawe area**. This land is on the outskirts of the National Park and can be alienated without disturbing the park reserve.

It is also proposed to develop accommodation for **youth and domestic traveller** categories close to the Uda Walawe Park.

The development of accommodation facilities should be left in the hands of the private sector and the agencies should provide the necessary assistance and guidelines. A Tourism land use plan should be drawn for the area and strict control should be enforced to prevent degradation of the natural resources and the development of Tourism Facilities in a haphazard manner. **Environmental dimensions** should be incorporated into the tourism development projects. The development of water sports using mechanised craft in the Uda Walawe Reservoir on a large scale is not recommended as it will disturb the environment and could create pollution.

It is expected that **new avenues of employment** directly and indirectly for about 1750 persons will be created by the development of tourism. However for social integration to take place we recommend that a proper training programme should be initiated for the people from the area to make use of such employment opportunities. We also recommend that a broad based community relations programme including education of the youth on the benefits and ill effects of tourism, and influencing senior members of the society through opinion leaders, should be launched.

INDEX

	<u>PAGE</u>
1. BACKGROUND	02
2. TOURISM POLICY AND OBJECTIVES	03
3. ATTRACTIONS OF UDA WALAWE	05
4. DEVELOPMENT OF ATTRACTIONS	06
4.1 Uda Walawe National Park	06
4.2 Hot Springs	08
4.3 Wavulpane Caves	08
4.4 Bird Watching	09
4.5 Duvili Ella	09
4.6 Sinharaja Forest	09
4.7 Maduwanwela Walauwa	10
4.8 Omaplpe Vihara	10
4.9 Walalgoda Vihara	10
4.10 Facilities Development	12
5. ACCOMMODATION SECTOR & DEVELOPMENT	12
5.1 Awareness	12
5.2 Accommodation	12
5.2.1 Embilipitiya Development	13
5.2.2 Uda Walawe Development	13
5.2.3 Youth and Domestic Tourist Accommodation	15
5.3 Projected Cost Benefit Evaluation of Additional Development to Centuria Hotel	18
5.4 Projected Cost Benefit Evaluation of New Development at Uda Walawe	20
5.5 Projected Cost Benefit Evaluation of Youth and Domestic Tourism Accommodation	22

6.	ENVIRONMENTAL CONSIDERATIONS AND GUIDELINES	25
6.1	Natural Assets	25
6.2	Water Pollution	25
6.3	Water Supply and Distribution	26
6.4	Electricity	26
6.5	Other Considerations	27
6.6	Environmental Impact of Tourism	27
6.7	Carrying Capacity	28
6.8	Environmental Impact Assessment	28
7.	DEVELOPMENT GUIDELINES	30
8.	SOCIO-CULTURAL IMPACT	31
8.1	Benefits and ill effects	31
8.2	Education of Youth	32
8.3	Business Development Programme	32
8.4	Establishment of Hotel School	32
8.5	Influencing Opinion	34
9.	LEGISLATIVE FRAMEWORK	43
10.	MAINTENANCE OF STANDARD AND QUALITY OF ESTABLISHMENTS	35
11.	PROJECTION OF VISITOR ARRIVALS	38
12.	MARKETING PLAN FOR UDA WALAWE TOURISM	42
12.1	Market Segmentation	42
12.2	Preparation of Communication Material	45
12.3	Cost of Communication Material	46
12.4	Marketing Strategy	47
13.	TOURISM AND COST ANALYSIS	51

14.	FISCAL & FINANCIAL INCENTIVES FOR TOURIST DEVELOPMENT	56
15.	LONG TERM DEVELOPMENT PLANS	59
15.1	The Future	59
15.2	Community Relations	59
15.3	Potential Resort Development	60
15.4	Hiking & Mountain Climbing	60
15.5	Expansion of Uda Walawe Tank	61
15.6	Tanamalwila - Kataragama Road	61

A N N E X U R E S

- A1 - ANNOTATED LIST OF ATTRACTIONS UDA WALAWE
- A2 - LAYOUT OF TICKETING OFFICE AND ENTRANCE
- A2 (1) - AERIAL VIEW OF ABOVE
- A3 - CHEMICAL ANALYSIS OF WATER FROM MAHAPELESSA SPRINGS
- A4 - PROPOSED TOURISM DEVELOPMENT AT SITE
- A4 (1) - AERIAL VIEW OF ABOVE
- A5 - MAP OF UDA WALAWE TOURISM
- A6 - GROUP TOURIST FLOW PATTERNS
- A7 - FIT FLOW PATTERNS
- A8 - PROPOSED COMPOSITION OF UDA WALAWE TOURIST INDUSTRY AND EMPLOYMENT
- A9 - COMPOSITION OF TOURIST EXPENDITURE
- A10 - AVERAGE RAINFALL AND TEMPERATURE
- A11 - GUIDE FOR COMPILATION OF PROSPECTUS FOR INVESTORS
- A12 - IMPLEMENTATION SCHEDULE

STUDY ON ENHANCING TOURISM ACTIVITIES IN THE
UDA WALAWE AREA

1. **BACKGROUND**

This study was undertaken by Teams (Pvt) Ltd. in conformity with the terms contained in letter of 26th March 1991 issued by the Mahaweli Enterprises Development Project of the Mahaweli Authority of Sri Lanka. The relevant terms of reference for this study are:

1. Review the potential for enhancing tourism activities in the Uda Walawe area using existing facilities (to include producing an annotated list of the attractions of the area; the list is to be in a form suitable for presentation to tourism sector firms operating in the nearby areas);
2. Prepare a detailed business proposition suitable for serving as an instrument for promoting to investors the development of one site.

Uda Walawe area demarcated within the administration of the Mahaweli Economic Authority was the area of main concentration. However, we have not strictly conformed to the borders but have also considered attractions adjacent to the area which have tourism potential.

The Uda Walawe area has not been featured in the main tourism development of Sri Lanka over the past two decades. Beach development which extends along the South West Coast in concentration upto Koggala and the tourism routes which explore the history and natural attractions of the country, move around this area but not through it. The road network through Uda Walawe region is now in good order and can effectively provide means for visitors to reach areas of tourist interest. The attractions of the region are numerous in natural resources, historical sites and man-made events. An annotated list of the attractions as specified under terms of reference is enclosed as Annexure 1.

2. TOURISM POLICY AND OBJECTIVES

Tourism Policy and objectives for Uda Walawe has been formulated based on the general policy and objectives for the development of tourism at a national level. Policy in particular for Uda Walawe is aimed at sustainable development of the tourism resources within the area.

The co-operate objectives for the development of Uda Walawe tourism are as follows :

- Maximum utilization of the available tourism attractions, facilities, services and infra and super structure to bring economic benefit to the Uda Walawe Area.
- Creation of direct and indirect employment in the Uda Walawe area through tourism enhancing the quality of life of society.
- Maximization of earnings in the Uda Walawe area and strengthening of sectoral linkages through tourism.
- Conservation and preservation of environment, culture, heritage and other natural assets within the Uda Walawe area through tourism and generate regional income by presentation of such assets in their correct form under a managed system.
- Generate interest for new investment in the field of tourism within the Uda Walawe area multiplying the above benefits.
- Positive contribution towards national plans through tourism development in the Uda Walawe area.

3. THE ATTRACTIONS OF UDA WALAWE

An annotated list of attractions have been attached as Annexure 1. Attractions have been grouped as Natural Attractions, Historical Sites, Man Made Attractions, Events and Activities.

Natural Attractions

Wild Elephant Park of Uda Walawe
Mahapelessa Hot Springs
Wavulpane Caves
Bulutota Pass
Duvili Ella
Bird Watching
Sinharaja Rain Forest

Historical Sites

Omalpe Vihare
Walalgoda Vihare
Sankapala
Mahagamwewa Ruins
Buduruwagala
Dematamalvihara
Dambegoda
Yudaganawa
Kataragama
Sellakataragama

Natural Attractions

Historical Sites

Bambaragala
Uggalkaltota Saman Devale
Kotimbuwela
Katuwana Dutch fort
Buduge Kanda

Man Made Attractions

Events

Activity

Maduwanwala Walawwa
Gem Pits
Katuwana Dutch Fort

Gem Auctions
Pola

Boating
Tracking
Meditation
Camping

4. DEVELOPMENT OF ATTRACTIONS

4.1 Uda Walawe National Park

The Uda Walawe National Park is 119 sq. miles in extent. It surrounds a reservoir formed by the dam built across the Uda Walawe Ganga. The reserve now has an estimated 400-450 elephants which can be viewed easily as the park has reasonably good roads running through it. The park also has very convenient access. It can be reached along the Timbolketiya Road from the Tanamalwila junction on the Wellawaya-Hambantota road which is used regularly by tour operators on their round trips. On the main road from Pelmadulla to Embilipitiya access to the park from Timbolketiya junction is approximately 5 miles. All these roads are in good order.

The National park should be the main focus of attraction for tourists in the development of the area. As Yala National Park is already over utilized, the diversion of tourist traffic to Uda Walawe National Park should be comparatively easy. Our marketing plan sets out the methodology of creating awareness. We would also recommend that the name of the park be referred to as the **Wild Elephant Park** of Uda Walawe. Although the park has deer, sambur, bears, squirrels wildboar and other animals, the elephant is predominant. The size of herds vary and can be as large as 50 animals and from a marketing angle, to give predominance to the elephant would be an effective way to get this park better known. At present arrangements to enter the park are by the purchase of a ticket at the Wild Life Office situated in the Uda Walawe town. Whilst the park is open from 6 a.m. to 6 p.m., it would be more convenient for visitors to have the ticket office located at the entrance to the park.

We would suggest that two acres at the entrance to the park be developed to provide the following amenities :

1. Tourist Information Centre
2. Provision for Pola type development aimed at tourists
3. Ticket office and educational display centre
4. Cafeteria
5. Toilets - the standards to be suitable for foreign visitors
6. A rest room area for service personnel together with toilets
7. Shops for sale of literature, postcards, etc. and locally manufactured artifacts
8. Parking area for 4 wheel drive vehicles and for tourist vehicles.
9. Facilities to hire jeeps/boats

(REFER ANNEXURE 2A & 2B SKETCH DRAWINGS OF DEVELOPMENT NEAR ENTRANCE)

The shops to be set up at this location are to be given out on a concessionary basis. The area should be controlled by the Wild Life Department to ensure that the facilities are maintained and serviced. This facilitation arrangement will immediately enhance the use of this park. The recovery of the capital expenditure for the proposed facilities is possible from the increase in fees obtained by park users and from the sale of the concessionary rights.

Provision for subsequent development such as hire of camping gear and equipment and an area guide service operated through the Tourist Information Centre should be given thought to. Within the park the two camping sites are ideally located. Better utilization and revenue from such sites could be generated if camping gear is made available on hire at the entrance. The flexibility of making payment for camping sites at the gate if not already booked through Colombo will be to the advantage of the Wild Life authorities.

For the protection of the environment and Flora & Fauna all activities within the park have to be carried out in a controlled manner under the guidance of Director Wild Life.

4.2 Hot Springs - Mahapelessa

The water temperature of 45 degrees centigrade is a natural phenomenon which is of considerable interest to the locals of the area. At present the access road from Suriyawewa is untarred but is in reasonably good condition except for the last 1/2 mile before the spring where two culverts are damaged but could easily be put into order. The well itself has a wall around it from which the water flows into four small cemented tanks. Thereafter, the water finds itself into the stream. There is a small shelter in reasonably good order close to the wells.

Whilst this natural phenomenon creates much interest amongst domestic tourists, it could be of little interest as an attraction on its own to the foreign visitors who are used to spas and baths which are extremely well developed in their own countries and are always associated with medical and health needs. This spring too could be developed in conjunction with a health facility in the area, as it already has a reputation for relieving arthritis. It is also considered beneficial for those suffering from back aches and pains. We suggest that the water from this well be taken to a building to be constructed with bath and shower where water treatment could be given to patients. A dispensary providing other ayurvedic cures could also be located in this facility. We would suggest that an area of 1/2 acre separate from the wells be allotted for this purpose and given on lease to an ayurvedic practitioner to develop this facility. By these means, it would provide an attraction for those who wish to undergo treatment using the therapeutic quality of the water.

(REFER ANNEXURE 3 ANALYSIS REPORT OF WATER SAMPLE)

4.3 Wavulpane Caves

This unique limestone cave carved out over 500 million years ago by a stream creating stalactites and stalagmites is a unique attraction. At present access to the cave is along a road running from Pallebedda to Kollonne. A diversion along a recently improved roadway permits access to within a mile of the cave. However, this road is not in good repair and the full distance could only be traversed by a 4 wheel drive vehicle. In the first instance, immediate steps should be taken to protect this cave either under the Tourist Board Act or under the Provision of the Wild Life Act. The cave itself must be seen by artificial light. This facility is not available at present. The immediate access to the cave is through a rocky incline, making it more suited for youthful adventure travellers. This attraction should be kept in its present condition and marketed as an adventure tour.

4.4 Bird Watching

In this whole area there are many tanks such as the Suriyawewa, Chandrikawewa, Ridiyagamawewa, Kiriibbanwewa. In the winter months these waters attract migrant birds. Amongst the varieties are hornbills, hawks, black eagle, red faced malkoha, blue faced malkoha, racquet tail drongo, orioles, blue nuthatch, paradise flycatchers, stalk bill, kingfishers, wild fowl and pea fowl. Migrant birds which are seen in the season include Indian pitto, osprey, greyheaded and yellow wagtail, etc.

Further research and production of a document on the subject by an expert in the field will be of assistance to the special interest travellers.

4.5 Duvili Ella

Located 25 km from Embilipitiya on the Suriyakanda road, this waterfall is set amongst a backdrop of tropical trees making it an attractive site. However, access from the main road is by a pathway, which could only be traversed by foot and at present this is a 5 km walk.

4.6 Sinharaja Forest

Whilst this forest is not strictly within the region, it is an important attraction for visitors. The eastern end of the forest could be approached from Suriyakanda through Morningside Estate. This is a 10 km drive and is preferably done by a four-wheel drive vehicle. There are paths through the forest, through which one can reach the Army Camp at Deniyaya which is a 5 km walk. The Sinharaja Forest is a tropical rain forest and this particular attraction would appeal to adventure travellers and special interest tourists.

4.7 Maduwanwela Walawwa

This was the residence of Maduwanwela Dissawa - originally constructed in the 17th century. The present building which is a renovation of the old building which had 140 rooms and 22 court yards, is mainly from the 19th century. This baronic type residence is an interesting example of local architecture and gives an insight into the style of life followed by the regional heads of feudal Sri Lanka. The property itself is reasonably well preserved and is set in a large park-like garden with beautiful trees. It is very evocative of old Sri Lanka and if properly presented would be an important place to visit for tourists.

4.8 Omalpe Vihare

This 17th century vihare is a beautiful example of the construction of that period. It has some excellent wall paintings which will be reproduced in a special folio edition by the Department of Archaeology. This building, which is in reasonable good condition, is also unique in that it has the shrine room constructed on the first floor.

4.9 Walalgoda Vihare

This is a vihare which is in the same tradition as Omalpe and also has unique paintings. It will also be the subject of another publication by the Department of Archaeology which would list it amongst 30 famous sites containing paintings of ancient Sri Lanka. This vihare is under repair. It is within 6 miles off Omalpe and also worth a visit.

4.10 Facilities Development

Road and site sign posts on the lines of Brand Development in relation to Mahaweli Tourism should be installed in all Mahaweli Tourism areas. The sign posts should be able to create an immediate visual impact and the desire to visit the attractions.

Road sign posts should carry the :

- 1) Mahaweli Tourism Logo
- 2) Name of attraction in Sinhala and English
- 3) Direction arrow
- 4) Distance in km.

At every cross road or turn off the sign post should be prominently placed.

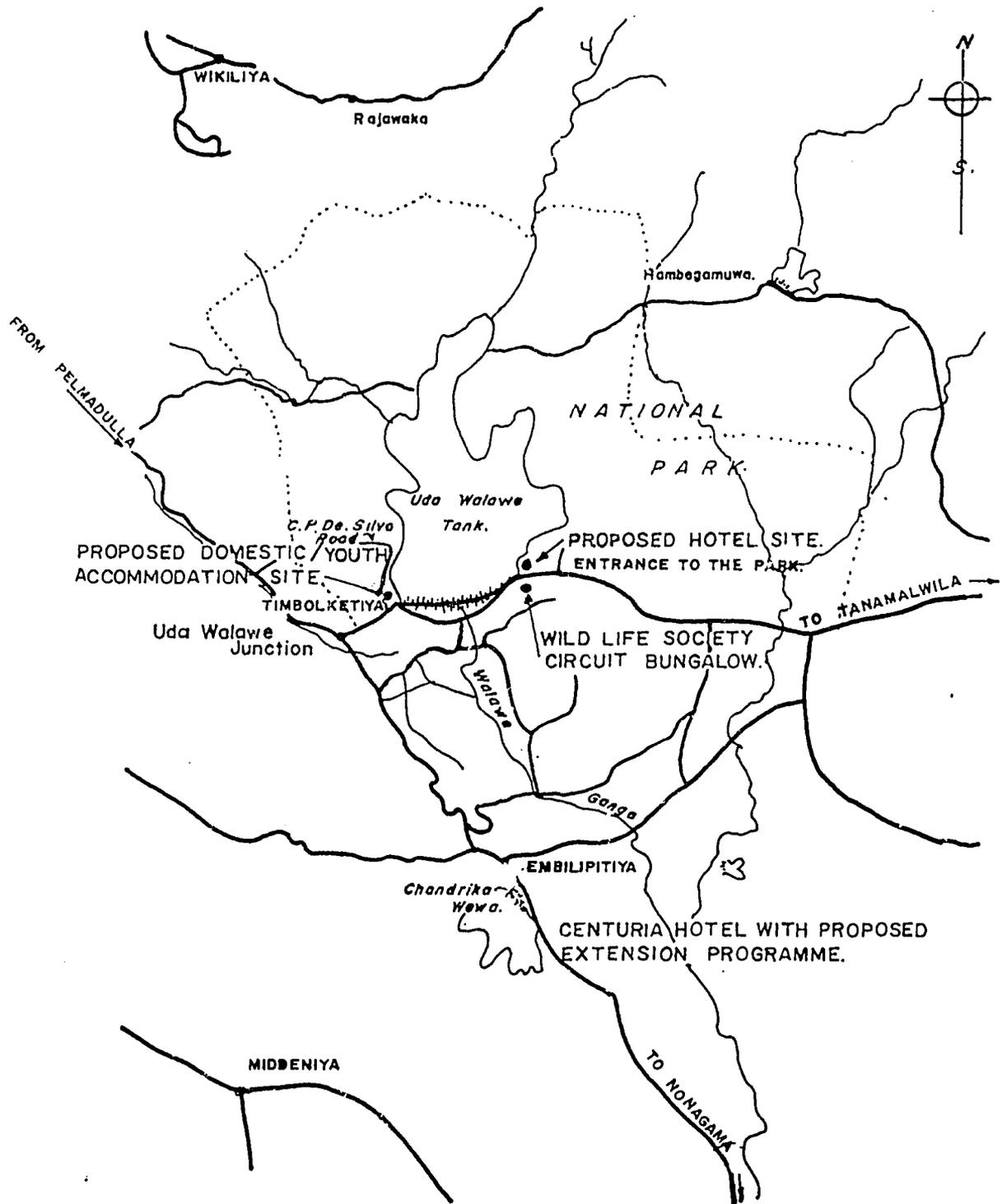
Site sign post should carry the :

- 1) Mahaweli Tourism Logo
- 2) Name of attraction in Sinhala and English
- 3) Digested description of attraction
- 4) The period to which it belongs

5. ACCOMMODATION SECTOR & DEVELOPMENT

A three level strategy is advocated. In the first instance, the awareness of the attractions on a wider scale would increase visitors into the area. Along with this should be a development of facilities to make fuller use of the existing attractions. The third phase would be to retain the visitors for a longer period within the area.

LOCATION MAP OF
ACCOMMODATION SECTOR DEVELOPMENT.



SCALE: 4 MILES TO AN INCH

8

5.1 Awareness

Our programme of marketing which we have outlined in Section 12 of this report should be followed. The target should be the Sri Lanka Travel Agents. Familiarization tours, a short promotional video film and other measures spelt out in our marketing plan should help to create an awareness of the area.

5.2 Accommodation

The provision for accommodation is necessary to get a greater benefit from the visitor arrivals to the area. At present there is the Centuria Hotel at Embilipitiya of one star level with 15 rooms (30 beds). In addition, there are two other Guest Houses providing 35 beds. At Hambantota, Peacock Beach Hotel has 158 beds. The Tangalle Bay Hotel and the Rest House at Tangalle provide 86 beds. The Ratnaloka Inn Ratnapura has 106 beds. With this structure, it would be possible to attract only day trips and a limited number of stopovers. In order to increase the economic benefits of tourism to the region and to create greater employment opportunities, there is the need to have more hotels.

5.2.1 Embilipitiya Development

On the studies that we have covered based on visitor arrivals into Sri Lanka, we would recommend that the Centuria Hotel which is well located on the banks of the Chandrikawewa and within the Embilipitiya town be expanded by an additional 15 rooms (30 beds) in the first instance, and subsequently, to a total of 50 rooms (100 beds). With the existing land area at their disposal and a reservation of 1-1/2 acres which adjoins the hotel which we believe can be made available to them, this expansion is possible. The present standard of the hotel meets the one star level and it is our view that if the hotel is upgraded by providing hot water facilities in the toilets, the level is adequate for foreign tourists.

5.2.2 Uda Walawe Development:

A thorough investigation of the area surrounding the Uda Walawe Park was conducted including suitable sites on the banks of the Chandrikawewa and Suriyawewa and possible sites along the road from Embilipitiya to Nonagama.

About two sites appeared suitable for construction. The site on the southern banks of the Suriyawewa was ruled out because of distance from the normal transit routes. Another site which was physically attractive had the problems of electricity and access.

Our final choice was therefore limited to the site on the extreme edge of the wild life park bordering on one side by the Tanamalwila road and on the other by the waters of the Uda Walawe reservoir. This site of approximately 10 acres is extremely picturesque with a majestic background of two mountain ranges in the north and west. It is also located within 3 km of the park entrance. Although the land is presently within the confines of the Wild Life Park, we believe that a ten acre site separated from the park, could be secured without causing undue damage.

The hotel itself should be designed to blend with the surroundings using local building materials and especially the roof should be of thatch. We would recommend that it should be planned for 30 rooms with capacity to extend upto 80 rooms.

A suggested scheme and layout is enclosed as part of our report (See Annexure 4). The land could be leased out on a 99 year agreement similar to the UDA arrangement, where the rental is paid up front and a nominal annual fee is charged.

Whilst it is appreciated that the most suitable sites are not lands presently within the direct control of the Mahaweli Authority, their overwhelming suitability as regards physical location, beauty of surroundings, easy accessibility by road, convenient availability of services such as electricity, telephone and water, made it imperative that this site be given first choice. The loss of 10-15 acres for hotel development on the edge of a Wild Game Reserve of 119 sq. miles is a infinitesimal loss of land in the total context. It has also to be borne in mind that the development is ultimately for the betterment of the Park area since it would bring visitors and create activity of economic benefit to the people in the area. Already there are quarters within the boundary of the park. It should also be stressed that the Mahaweli Authority and the Wild Life Department belong to the same Ministry and therefore a decision to hand back this land to the Mahaweli Authority for development should not create undue bureaucratic problems. It is with full understanding and appreciation of the need to satisfy ecological and conservation requirements with resource development that this site is being selected

It would be in the best interest to give this out to a private investor. As in the case of the Tourist Board leases, the plan of building would have to be approved by the lessor. In our opinion this is the best site available in this area. It would be advisable that the arrangements to take over the land be done early so that a suitable developer be found and construction take place for completion for the Winter season

1993/94. In view of the location, the load of building in the area would not create any environmental disturbance especially if waste water would be treated and only bacteria free and solid free water is discharged down stream. There should be little impact on the environment by controlling the factors of building and waste disposal.

5.2.3 Youth and Domestic Tourist Accommodation

In addition to this development, we suggest the provision of accommodation for youth and domestic tourists at a site bordering the Walawe reservoir along the C.P.De Silva Mawatha, which runs Northwards from Uda Walawe town. We have identified a Club House which is presently being renovated for use by the Department of Wild Life, as being a suitable location, especially as we have suggested that the Wild Life Office be relocated at the entrance to the park itself.

In this land we would suggest the construction of 5 double bedrooms with attached bath, four dormitory rooms (10 beds each) also with attached baths. One dormitory consisting of 20 beds having separate individual toilets and shower. The Club House would be the core of the hotel providing a restaurant and cafeteria. This accommodation should be planned in such a manner that as demand increases additional number of rooms can be built.

Thus, in the first instance, there would be a total of 70 beds which could ultimately be increased to 140 beds. The total site area should be approximately 2 to 2-1/2 acres.

5.3 PROJECTED COST: BENEFIT EVALUATION OF ADDITIONAL DEVELOPMENT TO CENTURIA HOTEL

TOTAL INVESTMENT	! NO. OF ROOMS	! TYPE OF INVESTMENT	! EQUITY RATIO	! AVERAGE ROOM OCCUPANCY
20,000,000.00	! 50 Rooms	! Private	! 4 : 6	! 60.00%

Sector

TOTAL UTILIZATION	! DENSITY	! BED OCCUPANCY	! GUEST NIGHTS
10,950 Rooms	! 1.5	! 45.00%	! 16,400

FINANCIAL INFORMATION

SALES: ROOMS	- @ 600/= per room	6,570,000
RESTAURANT	- @ 300/= per person	4,920,000
BEVERAGES & OTHERS	- @ 125/= per person	2,050,000
		13,540,000

COST OF SALES: ROOMS	- @ 30%	1,971,000
RESTAURANT	- @ 45%	2,214,000
BEVERAGES & OTHERS	- @ 45%	922,500
		5,107,500

GROSS PROFIT		8,432,500
OTHER OPERATIONAL EXPENSES		2,250,000

OPERATING PROFIT		6,182,500
INTEREST ON LOAN CAPITAL		2,520,000
TAXES & OTHER MUNICIPAL CHARGES		677,000

NET PROFIT AVAILABLE FOR EQUITY INVESTOR		2,985,500

TOTAL OPERATING COSTS		7,357,500
TOTAL COSTS INCLUDING INTEREST		9,877,500
=====		

MANAGEMENT INFORMATION

Return on Capital Employed (ROCE)	27.53%
Operating Profit: Capital employed	30.91%
Equity Capital	8,000,000
Loan Capital	12,000,000
Total Capital	20,000,000
Interest at 21% on Loan Capital	2,520,000
Return on Equity Capital	37.32%
Return on Loan Capital	21.00%
Loan Repayment over a period of 15 years	800,000

5.4 PROJECTED COST BENEFIT EVALUATION OF NEW DEVELOPMENT AT UDA WALAWE

Hotel Project at Uda Walawe

TOTAL INVESTMENT	!	NO. OF ROOMS	!	TYPE OF INVEST.	!	EQUITY RATIO	!	AVERAGE ROOM OCC	!
60,000,000.00	!	80 Rooms	!	Private	!	4.6	!	65.00%	!

Sector

TOTAL UTILIZATION	!	DENSITY	!	BED OCCUPANCY	!	GUEST NIGHTS	!
18,900	!	1.5	!	48.00%	!	28,350	!

FINANCIAL INFORMATION

SALES: ROOMS	- @ 900/ per room	17,000,000
RESTAURANT	- @ 375/ per person	10,600,000
BEVERAGES & OTHERS	- @ 150/ per person	4,250,000
		<u>31,850,000</u>

COST OF SALES: ROOMS	- @ 30%	5,100,000
RESTAURANT	- @ 45%	4,770,000
BEVERAGES & OTHERS	- @ 45%	2,125,000
		<u>11,995,000</u>

GROSS PROFIT	19,855,000
OTHER OPERATIONAL EXPENSES	4,320,000

OPERATING PROFIT	<u>15,535,000</u>
INTEREST ON LOAN CAPITAL	7,560,000
TAXES & OTHER MUNICIPAL CHARGES	1,592,500

NET PROFIT AVAILABLE FOR EQUITY INVESTOR	<u>6,382,500</u>
--	------------------

TOTAL OPERATING COSTS	<u>16,315,000</u>
TOTAL COSTS INCLUDING INTEREST	<u>23,875,000</u>

MANAGEMENT INFORMATION

Return on Capital Employed (ROCE)	23.24%
Operating Profit : Capital Employed	25.89%
Equity Capital	24,000,000
Loan Capital	36,000,000
Total Capital	60,000,000
Interest at 21% on Loan Capital	7,560,000
Return on Equity Capital	26.59%
Return on Loan Capital	21.00%
Loan Repayment over a period of 15 years	2,400,000

5.5 PROJECTED COST BENEFIT EVALUATION OF YOUTH & DOMESTIC TOURISM ACCOMMODATION

TOTAL INVESTMENT	! NO. OF ROOMS	! TYPE OF INVESTMENT	! EQUITY RATIO	! AVERAGE ROOM OCCUPANCY
2,000,000.00	! 70 beds	! Private	! 1 : 1	! NA

Sector

TOTAL UTILIZATION	! DENSITY	! BED OCCUPANCY	! GUEST NIGHTS
NA	! NA	! 68.00%	! 17,500

FINANCIAL INFORMATION

Youth & Domestic Tourism Accommodation

SALES: ROOMS/BEDS -@ 150/= 30/= per room/bed	657,000
RESTAURANT -@ 60/= per person	1,050,000
BEVERAGES ETC.@ 25/= per person	437,500
	<hr/>
	2,144,500
COST OF SALES: ROOMS - @ 30%	197,100
RESTAURANT - @ 45%	630,000
BEVERAGES & OTHERS - @ 45%	240,000
	<hr/>
	1,067,100
GROSS PROFIT	<hr/>
	1,077,400
OTHER OPERATIONAL EXPENSES	250,000
	<hr/>
OPERATING PROFIT	827,400
INTEREST ON LOAN CAPITAL	210,000
TAXES & OTHER MUNICIPAL CHARGES	107,225
	<hr/>
NET PROFIT AVAILABLE FOR EQUITY INVESTOR	510,175
	<hr/>
TOTAL OPERATING COSTS	1,317,100
TOTAL COSTS INCLUDING INTEREST	1,527,100
	<hr/> <hr/>

MANAGEMENT INFORMATION

Return on Capital Employed (ROCE)	36.01%
Operating Profit : Capital Employed	41.37%
Equity Capital	1,000,000
Loan Capital	1,000,000
Total Capital	2,000,000
Interest at 21% on Loan Capital	210,000
Return on Equity Capital	1.02%
Return on Loan Capital	21.00%
Loan Repayment over a period of 5 years	200,000

6. ENVIRONMENTAL CONSIDERATIONS AND GUIDELINES

Tourism in the Uda Walawe area should rely mainly on the natural environment and the protection of the environment which is the greatest tourist resource which Uda Walawe offers and is of prime importance. Whilst protecting and preserving the environment, it is necessary that adequate infra-structure and super-structure development is provided for, to derive maximum benefits through tourism with minimal negative environmental impact.

In ensuring appropriate planning for tourism, the following guidelines are proposed to protect and enhance the environment. Detailed criteria in this regard could be developed by adopting the following guidelines as principles which developers should adhere to.

6.1 Natural Assets

Due to developments recommended in the vicinity of the Uda Walawe reservoir, a minimum standard of safe shelter should be provided against floods. From highest waters edge under normal conditions minimum distance of 10 meters should be provided, within which zone structural development should not be allowed. Such steps will be necessary to maintain the ecological balance as mangrove areas and grass beds generally contribute towards ecology and fishery resources.

6.2 Water Pollution

Water Pollution through waste disposal should be avoided. Suitable standards to waste treatment and suitable sewage disposal systems will have to be provided by the local authority at the stage of approving building plans for tourism development, and these should conform to the standards specified under the National Environmental Act.

Proper sewage disposal system and waste water treatment plant should be duly incorporated into the construction plan. Environment protection license for effluent discharge shall be obtained from the Central Environmental Authority (CEA), before the commencement of the project. Sewage disposal systems and waste water treatment plant have to be designed in consultation with the CEA, and prior approval has to be obtained.

Soiled wastes should be managed in a manner not to cause environmental pollution. Such steps will eliminate odours, pests, and harmful disease which could occur due to environmental degradation. Hotels located in close proximity to reservoirs and tanks should examine the possibilities of recycling and minimizing of waste water.

6.3 Water Supply & Distribution

The suggested development will result in a heavy demand for water. Water Supply Plan should be designed in consultation with the National Water Supply & Drainage Board (NWS&DB). The possibility of tapping underground water could be explored with the Water Resources Board (WRB) and the NWS&DB.

Water sources should be adequately tested for quality and volume. Supply source of water should be located away from waste discharge areas. Prior to utilization of water for human consumption, chlorination is recommended. The quality of water for human consumption should measure upto standards set by WHO.

6.4 Electricity

In respect of the hotel development recommended in close proximity to the Uda Walawe Park entrance, stand by power generation will have to conform to requirements of the Wild Life Authority in relation to noise pollution. It is felt that generators as a supply of standby power should not be encouraged.

6.5 Other Considerations

Special care has to be taken to avoid pollution caused by garbage, litter and other wastes. Garbage or any waste should not be dumped in the Park or in the Hotel premises. They have to be incinerated under approved conditions or a proper system of continuous garbage disposal has to be set up.

The Existing Environment : Within the area falling under the purview of Uda Walawe, the inherited environment is rich and diverse. The landscape and scenic resources are relatively unspoilt. The area surrounding Wavulpane Caves is of concern as recent development in this area is causing damage to the natural cover as well as the Caves. Bulutota Pass is one of the best scenic drives which Sri Lanka could offer. Legislation to protect the natural flora and fauna in this area is of importance.

6.6 The Environmental Impact of Tourism

Due to low level of tourism development, the potential environmental impact of tourism in the Uda Walawe area is considered to be low. To ensure that with planned development it remains in the same order, certain safeguard measures should be implemented. Land usage plan in relation to tourism is of vital importance as unplanned land usage as seen in Sri Lanka and in many more countries in the world could lead to adverse environmental impact.

All aspects of tourism should be brought into line with environmental conditions in the Uda walawe area. A set of guiding principles for tourism in Uda Walawe area can be prepared and circulated. All employees in the tourist trade shall be given a comprehensive training on protection of environment and natural heritage.

6.7 Carrying Capacity

Each site of tourism attraction within the Uda Walawe area will carry a different load as maximum capacity without creating an adverse impact. In the recommendations made the carrying capacity of each location has been taken account of. More than required development in the vicinity of attractions and the creation of more than required rooms within the area could have adverse effects.

6.8 Environmental Impact Assessment

In relation to all suggested sites of tourism development, separate environmental impact assessment shall be carried out with a view to identifying likely adverse impact of the proposed development as stipulated by the National Environmental Act.

7. DEVELOPMENT GUIDELINES

In respect of the Uda Walawe area a land use plan for tourism purposes should be drawn. Identified and designated tourist development sites/areas should be marked on the land use plan and unauthorized development in the demarcated areas should not be allowed. Around tourist attraction sites zoning should be done and development within the zone should be according to a plan. Unauthorized development directly in the tourism sector or in relation to the tourism sector should be discouraged. Such steps will be required in view of the carrying capacity.

Once the tourism land use plan is agreed upon by all agencies/ organizations concerned, guidelines in respect of super structure development will have to be laid. Such guidelines in particular will have to cover areas such as ;

1. Siting of accommodation sector development
2. Architectural guidelines to form a strong functional and visual relationship in keeping with the theme, concept and environment by establishing a relationship between the interior and the immediate surroundings.

3. Making use of traditional designs and styles which resembles architectural features of the area.
4. Usage of building material to blend in with the environment and stipulating height in respect of building.
5. Landscaping of sites, places of attractions in the Uda Walawe area should be according to laid down guidelines assisting in the promotion of the theme and the concept of Uda Walawe tourism.

8. SOCIO CULTURAL IMPACT

The total area covered by the Walawe project is approximately 65000 hectares. Presently over 18500 farmer families have been settled, of whom the majority are settlers from areas such as Matara, Hambantota, Tangalle, Beliatta and other surrounding areas. Apart from the metropolis of Embilipitiya in most of the other areas where tourist attractions are to be found, a rural developing environment does exist. Though majority of the farmers are not educated, through the facilities and amenities provided the younger generation of the farmer families have been or are been exposed to formal education.

As observed in all parts of Sri Lanka, with educational qualifications the younger generation is reluctant to take upto farming and look for other opportunities for self development and progress. On average in the Uda Walawe area, each family will consist of 6 members which accounts for an approximate population of over 110,000, in the settlement areas.

8.1 Benefits and Ill Effects

Tourism is an industry which could be cited as one of mixed blessings. The community at large has to be educated of the benefits which it has and how an individual within the Uda Walawe area could derive such benefits. At the same time rural youth should be educated of the ill effects of tourism and what precautionary steps one should take to protect oneself as well as the community at large.

Protection of society and providing maximum benefits to the society through tourism development becomes the responsibility of the developing agency. A broad based community relations programme on the following lines will have to be launched from the very inception.

8.2 Education of Youth

Teacher seminars should be held, where benefits and ill effects of Tourism and how the benefits could be reaped and protect oneself and the community at large from the ill effects are explained. Education of the teachers is a useful means of carrying the message across to the younger generation. Tourism oriented self employment opportunities and career prospects have to be conveyed to the younger generation.

8.3 Business Development Programme

Groups of selected youth should be trained to establish their own business of catering to the requirements of tourist as well as the tourist organisations within the area.

8.4 Establishing of a Hotel School

A Hotel School should be established to train youth to take up employment in the tourism sector. Craft level courses should be conducted with the opportunity for those outstanding at craft level courses to continue with higher studies in hotel management at a national or higher educational centre.

A course for area guide lecturers should be conducted with licences being issued to successful participants.

Also the facility to learn English through such institutions should be provided. Other languages at Basic Level should be taught.

8.5 Influencing Opinion

Through opinion leaders in the area benefits of tourism should be pointed out to the senior members of the society in an indirect manner. Importance of environment and protection of environment are other areas on which the community of the Uda Walawe area will have to be educated.

It is not necessary to carry out such programmes across the whole of the Uda Walawe area. In keeping with the development of attractions the community relations programme could be conducted in areas where the attractions are located aimed at the immediate population who will be exposed or come in direct contact with the tourist.

9. LEGISLATIVE FRAMEWORK

Tourist Board Act. No.10 of 1966 and the Tourist Development Act. No.14 of 1968 has vested vast powers to the Tourist Board for the development, regulation and control of the tourist industry at a national level.

The Mahaweli Act. No.23 of March 1979 has vested powers with the Director General of Mahaweli Authority for the development, regulation and control of all lands held by Mahaweli.

With the decentralisation of the functions of Central Government to Provincial Councils, after planning at a national level is done, the role of development, regulation, control and promotion is to be carried out by the Provincial Councils. During discussions with the relevant organisations it was observed that certain grey areas exists and there is confusion in respect of the powers of each organisation and as to who is responsible for what?. This tends to surface conflicts in planning, duplication or triplication of the work and by establishing own legislative framework creating loop holes for unplanned development, and losing control of the industry, the impact of which will be felt in years to come, at a national level.

Examination of the relevant acts in the light of recent developments and clarification from the Attorney-General with regard to powers for development, regulation, supervision, control and promotion in relation to tourism will clearly demarcate the areas of activity and pave the path for planned tourism with a common objective and the pooling of resources for the benefit of a demarcated area.

Uda Walawe as well as the overall Mahaweli Tourism Plans, should be incorporated into the master plan of tourism. The master plan of tourism which is yet on the drawing boards will not be available within the course of 1991. Once the overall plan for Mahaweli is completed it is recommended to be discussed with the planners of the master plan who are scheduled to commence their assignment towards August 1991.

10. MAINTENANCE OF STANDARD AND QUALITY OF ESTABLISHMENTS

It is necessary that a uniform system is adopted in evaluating and grading tourist establishments. The Ceylon Tourist Board has been empowered by the Tourist Development Act to lay down codes and criteria for the measurement of standards and quality in establishments providing tourist services. For this purpose the following main codes are in operation :

- Hotels Code
- Travel Agents Code
- Guide Lecturers Code
- Specified Tourist Services Code

Under the above codes the criteria for grading of establishments have been drawn up. It is recommended that in relation to Uda Walawe as well as Mahaweli tourism, the same yardsticks are made use of.

When clarification is sought from the Attorney-General in respect of the legislative frame work, it is suggested that the codes too are discussed at length as the registering and annual licencing of the establishments have to be carried out according to the Code. Presently for all purposes in respect of the above codes the Competent Authority is the Director General of the Ceylon Tourist Board.

Tourist Development Act provides for the protection of the environment under the protection of highways and places of scenic beauty and control of junk yards for which regulations could be introduced under a code. In order to protect the attractions and their environment it is best that controlling measures are introduced on the same lines. Impact on Wavulpane caves by the destruction of the trees in its immediate environment is clearly visible. Bulutota Pass which could be described as a scenic and pleasant drive through the Rakwana range of hills, has to be protected. As highlighted over and over again the theme for Uda Walawe Tourism is adventure and therefore the protection of the natural surroundings, flora and fauna etc. is of prime importance.

11. PROJECTION OF VISITOR ARRIVALS

Table 1 ESTIMATED TOURIST ARRIVALS TO SRI LANKA BY MONTH
(BASED ON THE SEASONALITY TREND)

	<u>1991</u>	<u>1992</u>	<u>1993</u>
January	27200	32300	38300
February	28500	33800	40000
March	29100	34600	41000
April	24600	29300	34700
May	19800	23600	27900
June	19500	23200	27400
July	28500	33800	40000
August	28800	34200	40500
September	24000	28500	33700
October	24500	29600	35100
November	26600	31500	37400
December	38400	45600	54000
	-----	-----	-----
	319500	380000	450000
	=====	=====	=====

Source : Consultants

ASSUMPTIONS: INTERNAL & EXTERNAL CONDITIONS & ENVIRONMENT
WILL REMAIN AS AT PRESENT

(Tourism Authorities indicated an estimated figure of 387500 tourist arrivals during 1991. Based on the prevailing trend it was felt that the projections were high. Hence arrival figures have been computed by the Consultants based on the latest trends).

Table 2 ESTIMATED TOURIST ARRIVALS TO THE SABARAGAMUWA AND SOUTHERN REGION (BEYOND TANGALLE) (BASED ON THE SEASONALITY TREND)

	<u>1991</u>	<u>1992</u>	<u>1993</u>
January	9000 (56)	11200 (66)	13200 (61)
February	9400 (59)	11700 (68)	13800 (64)
March	9600 (60)	12000 (70)	14100 (65)
April	8200 (51)	10100 (59)	11900 (55)
May	6600 (41)	8100 (47)	9600 (44)
June	6500 (40)	8000 (46)	9500 (44)
July	9400 (59)	11700 (68)	13800 (64)
August	9500 (59)	11800 (69)	14000 (65)
September	7900 (49)	9900 (58)	11600 (53)
October	8300 (52)	10200 (59)	12100 (56)
November	8800 (56)	10900 (63)	12900 (59)
December	12700 (79)	15800 (92)	18600 (86)
	-----	-----	-----
	105900 (56)	131400 (63)	155100 (59)
	=====	=====	=====

Source : Consultants
() OCCUPANCY PERCENTAGE

ASSUMPTIONS : INTERNAL CONDITIONS AND ENVIRONMENT WILL IMPROVE
WITH GREATER POLITICAL STABILITY

ROOM CAPACITY 1991 - 345 ROOMS
 1992 - 382 ROOMS
 1993 - 482 ROOMS

ROOM DENSITY : 1.5

AVERAGE DURATION OF STAY - 01 DAY

Development of the unauthorised sector with a capacity of 30% of the approved capacity in the Uda Walawe area has been taken account of in the computations. Calculation of occupancy figures has been based on the total capacity in the Uda Walawe area. The above occupancy figures for the region may be slightly inflated as the unauthorised sector capacity was not available.

Table 3 ESTIMATED TOURIST ARRIVALS TO THE UDA WALAWE REGION BY MONTH AND TOTAL CARRYING CAPACITY (FOREIGN TOURISTS ONLY)

	<u>1991</u>		<u>1992</u>		<u>1993</u>	
January	510	760	1520	3860	3980	5380
February	540	800	1600	4050	4210	5680
March	560	820	1650	4150	4300	5800
April	450	670	1330	3450	3550	4820
May	330	510	990	2700	2720	3740
June	320	500	970	2650	2670	3680
July	540	800	1590	4040	4220	5690
August	560	820	1610	4090	4270	5760
September	430	650	1290	3350	3440	4680
October	460	690	1320	3470	3610	4900
November	500	740	1380	3660	3880	5250
December	800	1150	2290	5590	5920	7900
	-----		-----		-----	
	6000	8910	17540	45060	46770	63280
	=====		=====		=====	

Source : Consultants

12. MARKETING PLAN FOR UDA WALAWE TOURISM

12.1 Market Segmentation

Appeal of Uda Walawe area could be basically segmented to the following target groups :

1. Gr ravellers
2. Freelance Travellers
3. Repeat Visitors
4. Special Interest Travellers
5. Youth Travellers
6. Domestic Travellers

For marketing and promotional purposes the above segments could be categorized into 3 target groups, based on elements which would be generally common in decision making and by purpose of visit.

1. Group Traveller
2. Freelance Traveller, Repeat visitors, Special Interest Traveller
3. Youth Traveller & Domestic Traveller

The first target group will be on a pre-planned tour of the Island, having purchased a package through a Tour Operator in the country of domicile, of which an element will be the excursion to the Uda Walawe region which will be handled by a local Travel Agent on behalf of the Operator. The decision of visiting particular areas or an area has been made on their behalf by a third party and what has been purchased is only a promise. There would be no flexibility in respect of the areas of travel and members of this target group are compelled to consume what is offered within the destination country.

To influence travel by groups into the area, the attractions and the concept has to be sold to either the local travel agent or the planning manager of the responsible tour operator. Members of this group could be potential visitors to the area belonging to a different target group at a later stage purely based on brand loyalties or positive perceptions formed through experience.

In attracting this target group, a package which could be easily built into current round trip itineraries with little modification or change should be offered. Annexure 5 indicates the established flow patterns of this segment and the proposed diversification through the Uda Walawe areas. As indicated therein the main aspects to be highlighted and promoted will be the following :

1. Wild Elephant Park of Uda Walawe
2. Buduruwagala
3. Maduwanwala Walawwa
4. Omalpe temple
5. Wallalgoda temple

Depending on time available and the itinerary, all the above attractions may not be included into a package. Initially, the traffic will be day traffic until attractions are developed upto expected levels and even thereafter, members of the above target group will not spend more than 1 night in the Uda Walawe region.

Members of the second target group will be travelling either individually or in small groups. Decision making with regard to places to be visited will be made individually or collectively by the members of this target group. Based on individual interests, group members tend to spend more time in areas which are of appeal to them. The information available at their disposal with regard to tourist attractions, influence of those who have experienced etc. will be vital in their decision making process.

Members of this group will spend more time within the region as well as at selected attractions of their interest. Their contribution towards regional income through tourism will be far greater than the members of the first group. This segment will cause minimal cultural, social and environmental impact in a negative form as the majority would belong to social grading A, B, & C1. The members of this target group will be educated and would understand a different culture, environment and society and accept such change with minimal resentment. A high percentage of the total contribution through tourism in the Uda Walawe area will come from this target group.

Tourists belonging to this group could be conditioned to accept a hub concept in enjoying the tourist attractions which the region offer. Annexure 3 indicates the flow patterns of tourist of this group into the Uda Walawe area and the suggested routes for tourists during their stay in the region. The main aspects to be highlighted and promoted to this segment will be as follows :

1. Wild Elephant Park of Uda Walawe
2. Buduruwagala
3. Yudaganawa
4. Wawulpana Caves
5. Bambaragala
6. Sankapala
7. Maduwanwala Walawwa
8. Omalpe temple
9. Wallalgoda temple
10. Bulutota Pass
11. Sinharaja rain forest area
12. Mahapallassa hot springs
13. Bird watching
14. Mahagama Wewa Ruins
15. Katuwana Dutch Fort
16. Mulkirigala Temple

Members of this segment could be held within the region for 2 to 3 nights provided the basic facilities and services required are available.

The third target group will consist of youth travellers and domestic travellers. The constraining factor in respect of this group will be the available limited budget unlike the other two segments. They would like to visit as many places as possible but at the lowest cost. This segment is important and cannot be ignored as the present day youth traveller will be the future tourist. There is a social obligation to offer the sons of the soil an opportunity to enjoy what their own country has to offer.

Flow of traffic for this segment will be as for target group 2 and the main aspects to be highlighted will be as indicated therein. (Refer Annexure 6 & 7)

12.2 PREPARATION OF COMMUNICATION MATERIAL

The communication material to market and promote the Uda Walawe region will be as indicated below. The theme in marketing Uda Walawe has to be "ADVENTURE & EXPERIENCE" which has to be signalled and communicated to the target audience clearly.

1. Walawe adventure tourism video of 12 to 15 minutes duration highlighting the places of interest with copies in Sinhala, English, German, French and Japanese.
2. Walawe adventure tourism brochure in 5 language versions as above.

3. Walawe tourism road map. The road map should be printed in English and Sinhala. Annexure 4 could be slightly modified and made use for this purpose. Exact milage to each attraction from the Uda Walawe junction should be clearly indicated on the map.
4. Walawe tourism posters.
5. Walawe tourism picture post cards. This could be a saleable item as well.
6. Walawe tourism 35 mm. slides covering all attractions.

The cost of production in relation to communication material and the estimated out flow during the first three years of operation in this regard will be as indicated below:

12.3 COST OF COMMUNICATION MATERIAL

Production of video including editing in 5 different language versions		Rs.	2,000,000
200 copies of video at Rs.500 per copy			100,000
Brochures 50,000 (5x10000)	@ Rs.30/=		150,000
Road Maps 10,000 (2x 5000)	@ Rs.10/=		100,000
Posters 5,000	@ Rs.25/=		125,000
Picture Post Cards (10x5000=50000)	@ Rs. 5/=		250,000
Slides (72x100 = 7200)	@ Rs.50/=		360,000

			4,435,000
	Sundry		565,000

	TOTAL :	Rs,	5,000,000
			=====

Communication material investment - over a period of 3 years	Rs.5,000,000
Recoverable by saleable items	Rs.1,000,000

Communication material investment	Rs.4,000,000
	=====

12.4 MARKETING STRATEGY

Uda Walawe area could be marketed with almost immediate effect in order to attract tourists during the 1991/92 season. During the initial stages of the marketing plan emphasis should be to create awareness and attract day tourists with gradual change over a period of time allowing the accommodation sector to develop. On a priority basis at sites of attraction, basic development will have to be done in order to fall within the expected norms of the visitors. Development in relation to the Wild Elephant Park and the services and facilities to be made available in the immediate vicinity is of utmost importance as the Wild Elephant Park will be the unique selling proposition of Uda Walawe.

Uda walawe should be promoted directly by the authorities as well as through the National Tourist Organization (NTO), with encouragement to Travel agents and Tour Operators to promote the region independently.

In respect of domestic tourism, mass media should be made use of to the maximum. As at present there is no specialized agency which handles domestic tourism on a planned basis and under the umbrella of Mahaweli, some provision could be made for entrepreneur development in this area.

Directly as well as through the NTO, international media should be made use of effectively. Educational and familiarization tours for selected journalists from the international media and local media has to be organized on a planned basis. In doing so, it is extremely important that such educational and familiarization tours are properly spaced out during the initial stages in order to obtain continuous exposure for a period of time, for the Uda Walawe area.

Familiarization tours for selected local travel agents and planning managers of tour operators, should be organised during the initial stages. However, as at present in view of the limited room capacity, this activity could be scaled down and stepped up at a later stage when adequate carrying capacity is available in the region. Therefore, emphasis during the initial stages will be slightly different, trying to promote the Uda Walawe Park as the centre of attraction. In promoting Uda Walawe Park, it is necessary to bring in the word "WILD ELEPHANT". Hence in all communication material and promotional plans, Uda Walawe National Park should be referred to as the "WILD ELEPHANT PARK OF UDA WALAWE".

Feature articles on subject in the region should be promoted and once the super structure is ready for domestic tourism, advertising in the local media over a short span of time will create the necessary awareness and build demand.

An expert should be commissioned to do a series of books in detail of all places of archaeological and other interests which on the long term will create greater awareness of the tourism assets in the area and contribute towards building demand. Such publications could be saleable items.

Authors of guide books, direct as well as through the National Tourism Organisation should be brought into the area and every assistance given to them to include the main attractions in their guide books in order to stimulate interest for the area.

Uda walawe with its immediate outskirts could offer in a nut shell all attractions which Sri Lanka has to offer, lacking only the beaches on the short run. Wild life, scenic beauty, archaeological and historic sites, friendly people in a rural atmosphere, festivals and recreational activity which could be developed to its fullest potential in the region, and the ability to offer the complete range in a more exciting atmosphere, "getting off the beaten track" is the message to be conveyed through all marketing and promotional efforts for Uda Walawe.

13. TOURISM INCOME & COST ANALYSIS

The cost of tourism development in the Uda Walawe area by the public sector as well as the private sector excluding the proposed long term development of airport and the resort complex etc. will be in the region of approximately Rs.132 Million over a time frame of 3 years. The value of development as at date has been taken into account as Rs.15 Million (direct).

In the above exercise only direct benefits have been taken account of. Benefits such as direct and indirect purchases from indirect sources, income generated at sites such as temples and other attractions where a fee is not compulsory has not been taken account of.

A cost benefit analysis in relation to each project and an input output analysis to ascertain sectoral linkages and leakages from the Uda Walawe area, will have to be carried out at a later stage.

During discussions held with the Sabaragamuwa Provincial Council Officials, their commitment to develop tourism in some of the areas under review and to provide the necessary infra structure facilities for the benefit of the investors/developers was indicated. Hence such costs have not been estimated in the above computation. The above computation is only an indication as per detailed workings done to estimate the tourism income. In the schedule given below the total income through tourism by year has been indicated. The cost has been segmented and presented by activity and year. The estimated yearly income and investment going into the tourism sector has been highlighted in the schedule.

I. PROJECTED INCOME FROM UDA WALAWE TOURISM

1991

6000 Tourist Nights at	USD 32	192000	
2000 Local Nights at	USD 12	24000	

	USD	216000	88% Foreign Rs.8.748 mn 12% Local
2900 Tourist days at	USD 12	34800	
5500 Local days at	USD 04	22000	

	USD	56800	61% Foreign Rs.2.300 mn 39% Local
Total	USD	272800	83% Foreign Rs.11.048 mn 17% Local

1992

17600 Tourist Nights at	USD 32	563200	
4400 Local Nights at	USD 12	52800	

	USD	616000	91% Foreign Rs.24.948 mn 9% Local
27500 Tourist days at	USD 12	330000	
11000 Local days at	USD 04	44000	

	USD	374000	88% Foreign Rs.15.147 mn 12% Local
Total	USD	990000	Rs.40.0 mn =====

1993

46750 Tourist Nights at	USD 32	1496000		
8250 Local Nights at	USD 12	99000		

	USD	1595000	94% Foreign	
			6% Local	Rs.64.5977 mn
16500 Tourist days at	USD 12	198000		
16000 Local days at	USD 04	64000		

	USD	262000	75% Foreign	
			25% Local	Rs.10.611 mn
Total	USD	1857000	91% Fore.	
			09% Local	Rs.75.2 mn
				=====

USD has been taken at Rs.40.50 The US Dollar has been appreciating in value over the Sri Lanka Rupee which has been the past trend. In the projection adjustment for appreciation of dollar has not been made. Hence the income in rupee terms will be greater than what has been indicated.

Over the years the spend per day has been maintained at the same level. In actual fact where the foreign component is concerned a slight increase every year could be envisaged. Hence the income in rupee terms will be slightly greater than indicated.

II PROPOSED TOURISM INCOME & COST

(SL Rs.)

	1991	1992	1992	1994
Projected Income	11.0 M	40.0 M	75.0 M	86.0 M
Investment as at time	15.0 M	31.5 M	76.5 M	
Centuria Extension Programme	6.0 M	6.0 M	-	
Hotel Dev. near park	-	20.0 M	40.0 M	
Youth/Domestic Accommodation Dev.	1.0 M	1.0 M	-	
Park entrance Dev.	2.0 M	-	-	
Development of Tourism Attractions	.5 M	.5 M	-	
Additional Infra structure	.5 M	1.5 M	-	
Promotional Expenditure	2.0 M	4.5 M	3.5 M	
Supporting facilities & investment	.5 M	1.5 M	2.0 M	
Institutional Development	2.0 M	5.0 M	6.0 M	
Community Relations and manpower development	1.0 M	3.0 M	3.0 M	
Sundry	1.0 M	2.0 M	1.0 M	
Total Investment	31.5 M	76.5 M	132.0 M	
Investment during year	16.5 M	45.0 M	56.5 M	

14. FISCAL & FINANCIAL INCENTIVES FOR TOURISM DEVELOPMENT

Incentives are necessary for development and diversification of product in the tourism sector especially as there is competition between agriculture, industries and tourism for financial input. There is need to treat all sectors equally to ensure that tourism is not neglected. On the national level, tourism has to be treated in the same way as an export industry. At present, fiscal incentives available for the export industry include :

- 1) Five year tax holiday on export profits of companies with a further five year half tax holiday those net foreign exchange earnings exceed 50%;
- 2) Indefinite tax holiday from income from the export of gems;
- 3) Indefinite tax holiday for profits arising from payments of foreign exchange for services pertaining to ship repair, ship berthing, repair of marine cargo containers and provision of computer software and systems.
- 4) Investment relief to 1/3rd of income for investors in companies;
- 5) Accelerated depreciation;
- 6) Tax free dividends;
- 7) Total deductions on overseas promotional expenses;
- 8) Customs duty and turnover tax rebate on raw materials and packaging materials;
- 9) Exemption of machinery imports from customs duty and turnover tax.

Fiscal incentives which were available to the hotel industry have been progressively withdrawn and at present a reduced duty in respect of import of stainless steel tableware, glassware and sanitary ware is available. The equation of fiscal incentives similar to the export trade, for tourism would be necessary.

In addition to fiscal incentives, financial incentives through provision of immediate and long term lending from institutions on soft payment term basis, project financing, short term working capital through refinance, equity participation in new ventures from specialised government agencies are presently available to the export industry and should be extended to the tourism sector.

In regard to the development in special areas such as Uda Walawe, it is particularly important that these incentives be made available. In addition, special local incentives could be provided as follows:

- 1) Promotional lease rental rate for developers on special regions;
- 2) Allowance for training of persons from the region by schemes sponsored by the Youth Services Council;
- 3) Assistance in promotional efforts by the regional economic agency providing familiarisation tours for travel agents, publicity material such as brochures, video film, etc.

15. LONG TERM DEVELOPMENT PLANS

15.1 The Future

With the proposed international airport at Eraminiya tourism in the Uda Walawe and the Southern areas will take a completely different dimension. Such a development will open the gates of mass tourism into the areas and in order to minimize adverse effects on environment, society, culture and the attractions, it will be of prime importance to plan for the future at this stage and to demarcate areas of development highlighting the types of development and to set aside such land in the land usage plan for earmarked purposes.

15.2 COMMUNITY RELATIONS

Tourism oriented community relations programmes will have to be carried out aimed at the different levels of society clearly signalling benefits of tourism as well as the negative aspects of tourism. An important fact which should not be overlooked is the creation of large scale employment opportunities direct as well as indirect through tourism. The youth will have to be groomed to take up employment at different levels. Such programmes will not be a waste of resources even in the event of development been delayed as trained youth could easily find employment in other parts of Sri Lanka or abroad and return back to their homelands when the tourism sector is developed with qualifications as well as experience.

15.3 POTENTIAL RESORT DEVELOPMENT

A good location for an international level resort development project was identified at Ussankande, Wellipatanwila which is approximately 1-12 miles from the Nonagama junction. Factor for consideration of this development will be the availability of a supply of water. The coastal border from Godawaya to Kalamatiya should be set aside for resort complex development with recreation facilities, on a tentative basis at this stage.

With an international airport, the resort complex should provide for a carrying capacity of 3000 tourists with all the required services and facilities been available within the complex. The required type of development in this area including an international golf course will cost in the region of USD 150 Million and will have to be carried out with foreign collaboration. Mass inland development in the Uda Walawe area should not be encouraged as the area is not structured to carry such capacities. The Unique Selling Proposition (USP) of Uda Walawe area would be the excitement and adventure which theme should be retained as the destruction of the above elements would mean destruction of Uda Walawe tourism over a period of time.

15.4 HIKING & MOUNTAIN CLIMBING

Hiking and mountain climbing has yet to gain popularity in Sri Lanka. The range of mountains which surrounds Uda Walawe creates the atmosphere required and could be developed over a period of time. For this type of sport identification of camping stations and the expertise knowledge to protect the environment becomes necessary. A hike to Sinharaja through the Suriyakanda and Rakwana mountain range and to Horton Plains via Samanalawewa, Balangoda range requires expertise input for development.

15.5 EXPANSION OF THE UDA WALAWE PARK

Wild life department authorities did indicate that the Uda Walawe park boundary on the northern side will be extended upto Samanalawewa. Authorities intend having an entrance from the northern side once the boundaries are extended. Such a development could be made use of for further development of Uda Walawe tourism. Presently, the Kapugala Village which has been constructed for the expatriate and local staff working on the Samanalawewa project could house over 225 pax and the super structure is well developed with the required facilities to convert the village into a tourist complex with minimum expense. Stage 1 of the Samanalawewa project is to be completed and handed over by October 1991. Kapugala Village

could be approached from Balangoda as well as Belihuloya. The approach roads are well constructed and with the proposed plans of Wildlife Authorities the Kapugala Village Complex should be earmarked for tourism development once the project is completed and the village is vacated.

A greater flow of traffic entering the park from the northern point of entry and leaving the park from the southern side could be encouraged through proper promotion which will result in better utilization of tourist attractions in the Uda Walawe area.

15.6 TANAMALWILA-KATARAGAMA ROAD

The road from Tanamanwila to Kataragama through the jungles is a 16 mile adventure track at present. Milage-wise its half the distance than travelling through Weerawila to Kataragama. In keeping with the Uda Walawe theme with the development of the structure to hold tourists within the area for a greater length of time this track too should be promoted for adventure traffic.

ANNOTATED LIST OF VISITOR ATTRACTIONS IN THE UDA WALAWE

- 1.1 **ATTRACTION** : Wild Elephant Park of Uda Walawe
- LOCATION** : Entrance to park is 7km. from Uda Walawe junction on the Timbolketiya - Tanamalwila Road.
- DESCRIPTION** : The Wild Elephant Park of Uda Walawe is 308 sq- km in extent. The reserve has an estimated 400-450 elephants in addition to deer, sambur, bear, wild-boar, leopard, and a variety of different birds. The main draw to the park will be the wild elephants. Best hours to visit the park will around 2.00 p.m. and during the early hours of the morning. Due to low visitation to the park the natural environment has been preserved with a greater within a short period of time probability of seeing wild elephants, than in any of the other natural parks.
- 1.2 **ATTRACTION** : Mahapelessa Hot Springs
- LOCATION** : Distance to the Hot Springs from Uda Walawe junction is approximately 34 km. From Embilipitiya via Suriyawewa the distance would be approximately 24 km. The drive from Embilipitiya by car will take 35 minutes.
- DESCRIPTION** : This is a natural phenomenon which will be of interest to the visitor, with a water temperature of 45 degrees Centigrade. The mineral composition of the water has a reputation for relieving ailments such as arthritis. Will be of appeal to the Sri lankan visitor who would like to test the therapeutic quality of water by having a hot water bath. It will be of lesser importance to the foreign visitor, until such time as the Springs are developed to create the required demand.

1.3 ATTRACTION : Wavulpane Caves

LOCATION : Approximately 32 km from the Uda Walawe junction via Pallebedde. One has to travel a distance of approximately 10 km on the Pallebedde-Wavulpane Road, which is not in a very good condition. A 4 wheel drive vehicle is recommended to visit this attraction. To reach the attraction the last 1 1/2 km across streams has to be made along foot paths.

DESCRIPTION : The Wavulpane limestone Caves are carved out by a stream, said to be 500 million years old. Its appeal is in the attractive stalactites and stalagmites. The caves have to be viewed in artificial light. The access to the cave is through a rocky incline and suits the adventurous type of visitor. Exploration of the caves would be made difficult depending on the water level of the stream. The natural Flora & Fauna with many springs in the area creates a memorable and pleasant atmosphere for the visitors, and the visit could be described as an experience. Approximately half a day should be set aside for the visit to Wavulpane from Uda Walawe.

1.4 ATTRACTION : Bulutota Pass

LOCATION : On the Embilipitiya - Suriyakanda - Rakwana - Madampe Road.

DESCRIPTION : A scenic and pleasant drive for the lovers of nature. Unspoilt landscape with the back-drop of Mountains. Tea Plantations, Water Falls, Flora etc. A deviated drive for the visitor heading in the direction of Ratnapura, through Bulutota pass, is recommended and would connect with the trunk road at Madampe. An extra 45 minutes to 60 minutes will be required for this deviation which will be worth the time and money.

1.5 ATTRACTION : Duwili Ella

LOCATION : Approximately 25 km from Embilipitiya on the Suriyakanda Road. Access to the attraction is by foot and it is a 5 km walk.

DESCRIPTION : An attractive water fall set among tropical trees in a typical village atmosphere. Recommended for visitors having adequate time to exploit and enjoy natural beauty while appreciating the life styles and mingling with typical village folk.

1.6 ATTRACTION : Bird Watching.

LOCATIONS : Suriya wewa, Chandrika wewa, Ridiyagama tank, Kiri-ibbanwewa, Habaralu wewa. All tanks within a radius of 18 km from Uda Walawe.

DESCRIPTION : A variety of birds would be seen in the vicinity of the above tanks and lakas. Some of the birds frequenting the tanks are Hawks, Black Eagle, Hornbills, Red Faced Malkoha, Blue Faced Malkoha, Racquet Tail Drongo, Orioles, Blue Nuthatch, Stalk Bill, Kingfisher, Wild Fowl, Pea Fowl, Peacock and migrant birds such as Osprey, Yellow Wagtail etc. Flamingoes too have been sighted during certain seasons.

1.7 ATTRACTION : SINHARAJA RAIN FOREST

LOCATION : The eastern end of the forest could be approached from Suriyakanda through Morningside Estate. From Suriyakanda, Morningside Estate is a 10 k.m. drive, which is recommended to be done by 4 wheel drive vehicle.

DESCRIPTION : Described as one of the best tropical rain forests in South Asian Region, a must for the Flora & Fauna special interest travellers and adventure travellers. Many paths could be found through the forest, and in particular the 5 k.m. walk through the jungles from Morningside Estate to Deniyaya is of interest. No services or facilities are available beyond Suriyakanda. Many sites suitable for camping could be found along the border of Sinharaja. Travellers from Uda Walawe should set aside one day for the excursion of Sinharaja Forest.

1.8 ATTRACTION : MADUWANWELA WALAUWA

LOCATION : Approximately 22 k.m. from Embilipitiya along the Embilipitiya Suriyakande Road.

DESCRIPTION : Originally constructed in the 17th Century and was the residence of the Maduwanwela Dissawe a Sinhala chieftain during British Colonial period. The original building was supposed to have had 140 rooms and 22 courtyards. The present buildings are a renovation of old buildings. The walauwa is an interesting example of local architecture and gives an insight to the style of life followed by the regional heads of feudal Sri Lanka. Set in a large park like garden, it is evocative of old Sri Lanka and the baronic type residence is an interesting example of the local architecture.

1.9 ATTRACTION : GEM PITS

LOCATION : Due to the nature of the attraction a specific location could not be pin-pointed. Within the Uda Walawe region, at any given time over 50 gem pits could be located which are of reasonable size.

DESCRIPTION : The process of gemming is of interest to the foreign visitor. The geological indication, the type of gemming, the style of operation of gemmers and the process of selling at site is of interest to the visitor.

1.10 ATTRACTION : KATUWANA DUTCH FORT

LOCATION : On the Middeniya - Walaswella Road - 19th Mile post.

DESCRIPTION : Originally during the Portuguese period the site of an army camp, due to its strategic importance as from time to time attacks were launched by the Sinhala Kings. During the Dutch regime a fort was built at the same location. The layout and certain parts of the fort is yet visible, which is of interest.

1.11 ATTRACTION : OMALPE VIHARE

LOCATION : Approximately 24 k.m. from Uda Walawe. Turn off at Panamure to Omalpe which road joins the Kolonne Road at Kelle.

DESCRIPTION : Omalpe Vihare belongs to the 17th Century and is a beautiful example of construction of the said period. Known as Omalpe "Tampita" vihare among the rural folk, which means temple on stilts is unique as the shrine room is located on the first floor on a timber platform with the outer walls all decorated with excellent wall paintings, which fall into the category of the finest wall paintings in Sri Lanka belonging to the 17th century. The building is in reasonably good condition and for the visitor it offers something out of the ordinary.

1.12 ATTRACTION : WALLALGODA VIHARE

LOCATION : Approximately 18 k.m. from Uda Walawe and 6 km before Omalpe. Turn off at Panamure to reach Wallalgoda.

DESCRIPTION : Belonging to the 17th Century, Wallalgoda Vihare is in the same tradition of Omalpe with unique wall paintings. The vihare is presently not in a good state and unless repairs are expedited, an archeological treasure of the Uda Walawe region could be lost.

1.13 ATTRACTION : SANKAPALA

LOCATION : On the Uda Walawe - Pelmadulla road near Colombage Area.

DESCRIPTION : Sankapala temple is a rock temple with many caves which have been made use for meditation. It is also claimed that the caves would have been human dwellings. Due to modernization of the temple premises, destruction of the attraction from a tourist point of view has taken place.

1.14 ATTRACTION : BAMBARAGALA

LOCATION : On the Uda Walawe-Pelmadulla road, turn off at Pallebedda and proceed 4 1/2 miles. As the journey will necessitate crossing of a river, a four wheel drive vehicle would be required. If not the last 1 mile will have to be done by foot.

DESCRIPTION : At the foot of the Bambaragala rock which borders the Uda Walawe Park, the Bambaragala Senasana (hermitage) had been built in the 2nd Century B.C. The ruins of the structure is yet visible. Bambaragala has many rock caves which are used for meditation purposes. Even at present Bambaragala is well known as a meditation centre and the temple authorities would not like Bambragala promoted as a tourist attraction as it tends to disturb the environment and its activities. However for those who are interested in serious meditation and in carrying out detail research in respect of Buddhism, the temple is prepared to accommodate them provided such persons are prepared to adhere by the temples code of conduct and ethics set by the temple.

1.15 ATTRACTION : BUDURUWAGALA

LOCATION : On the Wellawaya-Tanamalwila road turn off at Nugeyaya and proceed 3 k.m.

DESCRIPTION : Claimed to be developed any time during the 8th and 10th Century A.D. Buduruwagala has 6 images carved on the rock. Carvings are in the Mahayana tradition. The main carving of Buddha is well over 40 feet in height and is of interest to the visitor.

1.16 Attractions such as Kataragama, Sella Kataragama, Tissa Vedihtikande, Dematamal Vihare, Dambegoda, Yudanganawa, Budugekanda, Uggalkaltota, Kotumbuwila etc. are in the outskirts of the Uda Walawe region. Based at Udawalawe such attractions could be visited as day excursions.

1.17 ATTRACTION : GEM AUCTIONS

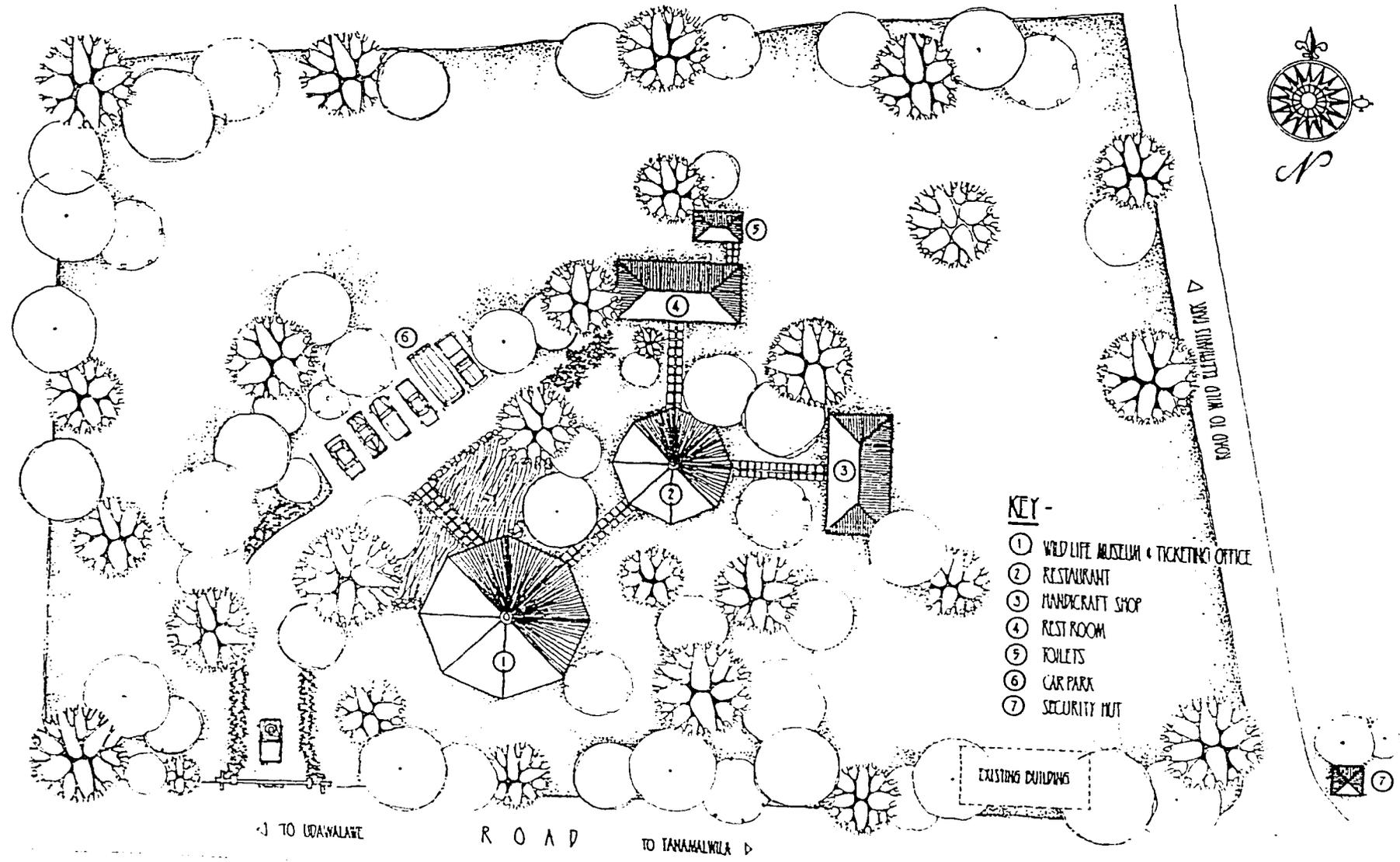
LOCATION : Embilipitiya town

DESCRIPTION : Gem auctions are held in the Embilipitiya town at least twice a week. As at present there is no particular day for the auction. However information regarding gem auctions could be obtained from the hotel and in the Udawalawe area.

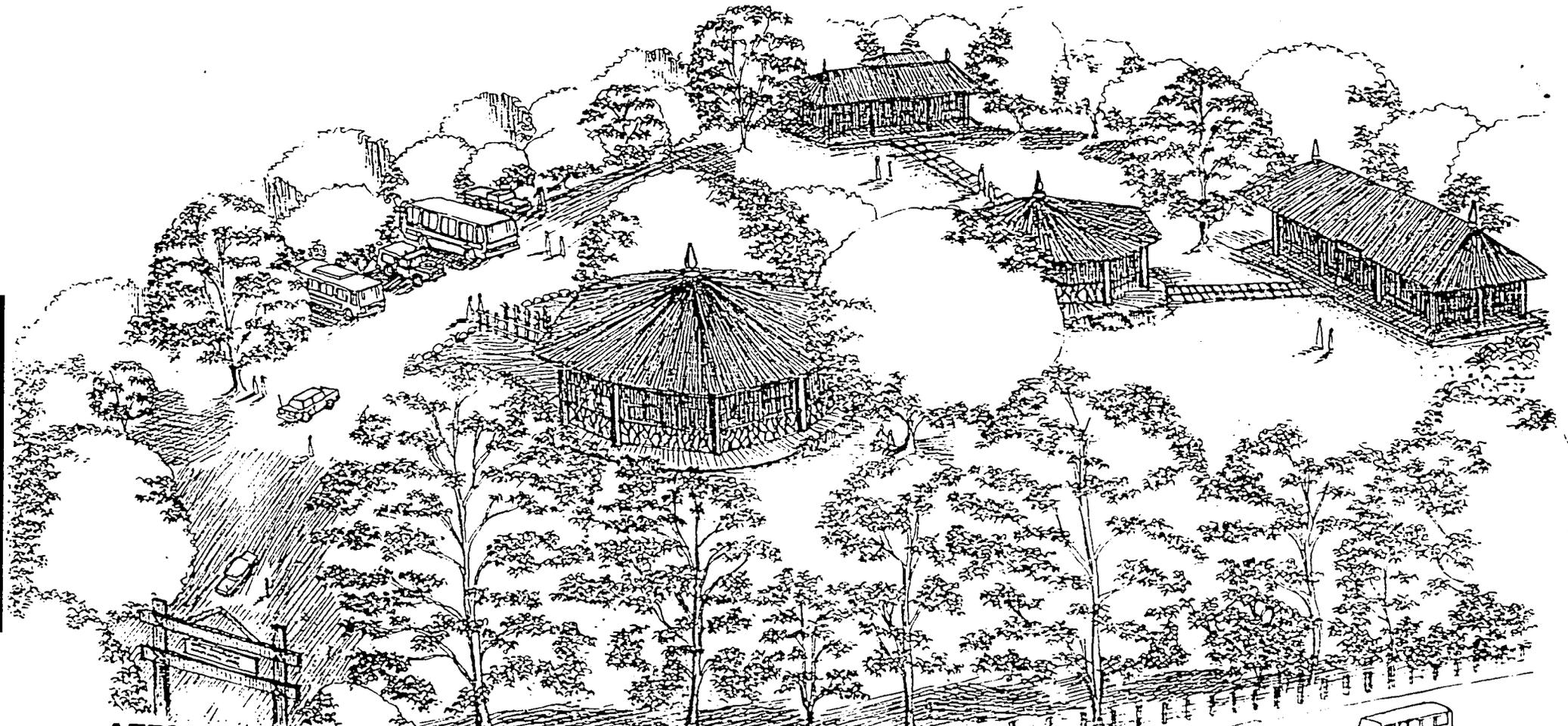
1.18 ATTRACTION : BOATING
MEDITATION
CAMPING

LOCATION : Within the Udawalawe area

DESCRIPTION : Such activities have not been developed to their potential due to low utilisation of the Udawalawe area for tourism. With the movement of tourist traffic into the region such activity/attractions would be developed by individuals of the area under the guidance of the authority.



LAY OUT OF TICKETING OFFICE & ENTRANCE TO WILD ELEPHANTS PARK - UDAWALAWE.



AERIAL VIEW OF TICKETING OFFICE & ENTRANCE TO WILD ELEPHANTS PARK - UDAWALAWE.

CHEMICAL ANALYSIS

(Chemical Constituents are expressed as parts per million)

MAHAPELESSA THERMAL SPRINGS

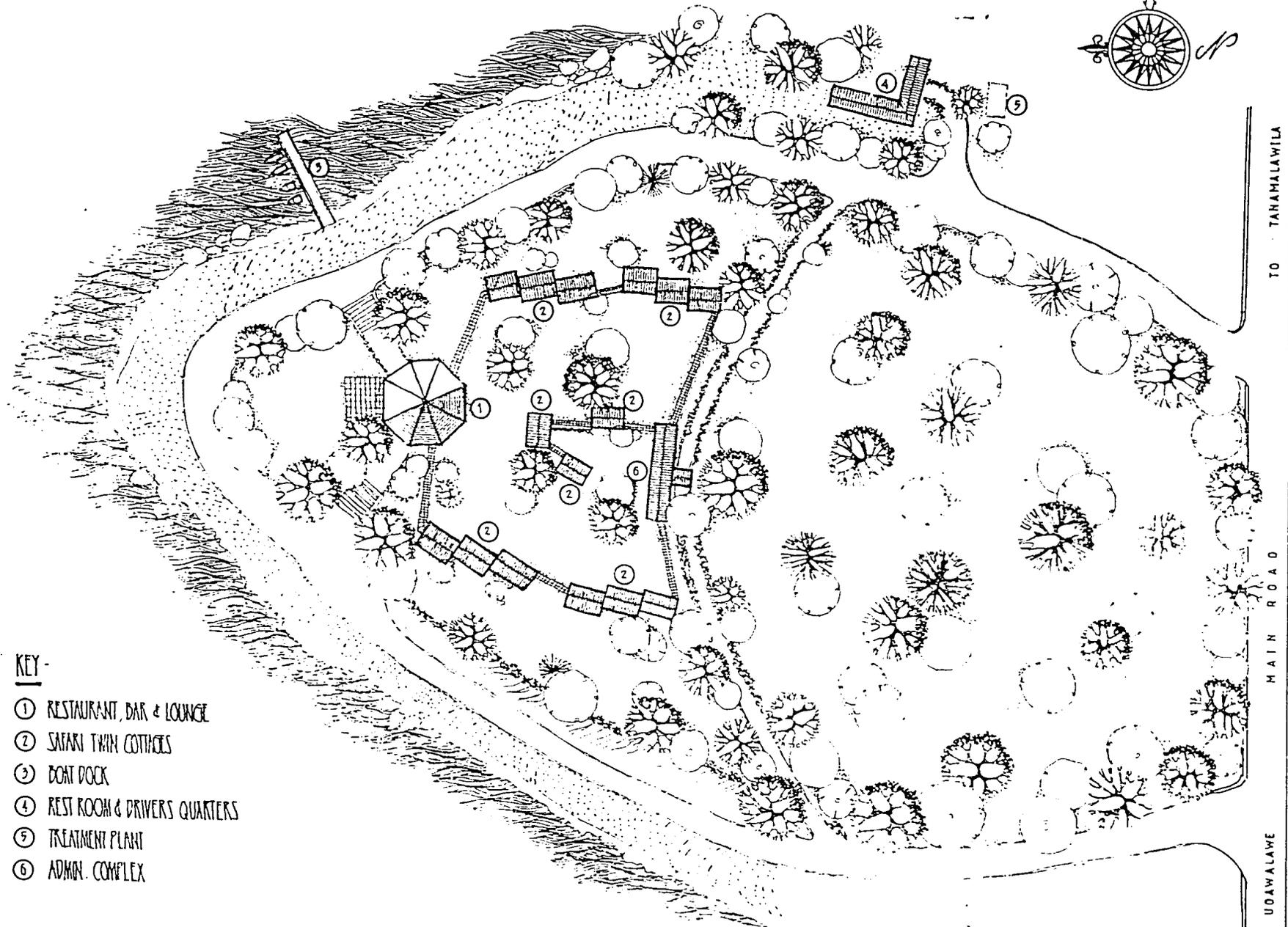
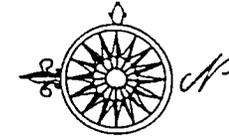
pH units	7.7
Conductivity	
meg. mhos/cc	7100.0
Total Solids	5490.0
Free CO ₂	5.3
Free NH ₃	Nil
Bicarbonate (HCO ₃)	16.1
Chloride (CL)	2630.0
Sulphate (SO ₄)	200.0
Nitrate (NO ₃)	Nil
Phosphate (PO ₄)	Nil
Silica (SiO)	90.0
Calcium (Ca)	545.1
Magnesium (Mg)	2.7
Sodium (Na)	1157.6
Potassium (K)	34.8
Lithium (Li)	5.0
Iron (Fe)	Nil
Zinc (Zn)	Nil
Lead (Pb)	Nil
Copper (Cu)	Nil
Uranium (U ₃ O ₈)	Nil
Manganese (mn)	Nil
Total Mineralisation grams/liter	5.490

Chemical Classification of the Waters

According to the Classification of Palmer (1911) and Hill (1949) this spring falls into the following category :-

(Symbols A₁, A₂, S₁ and S₂ after Hill (op-Cit))

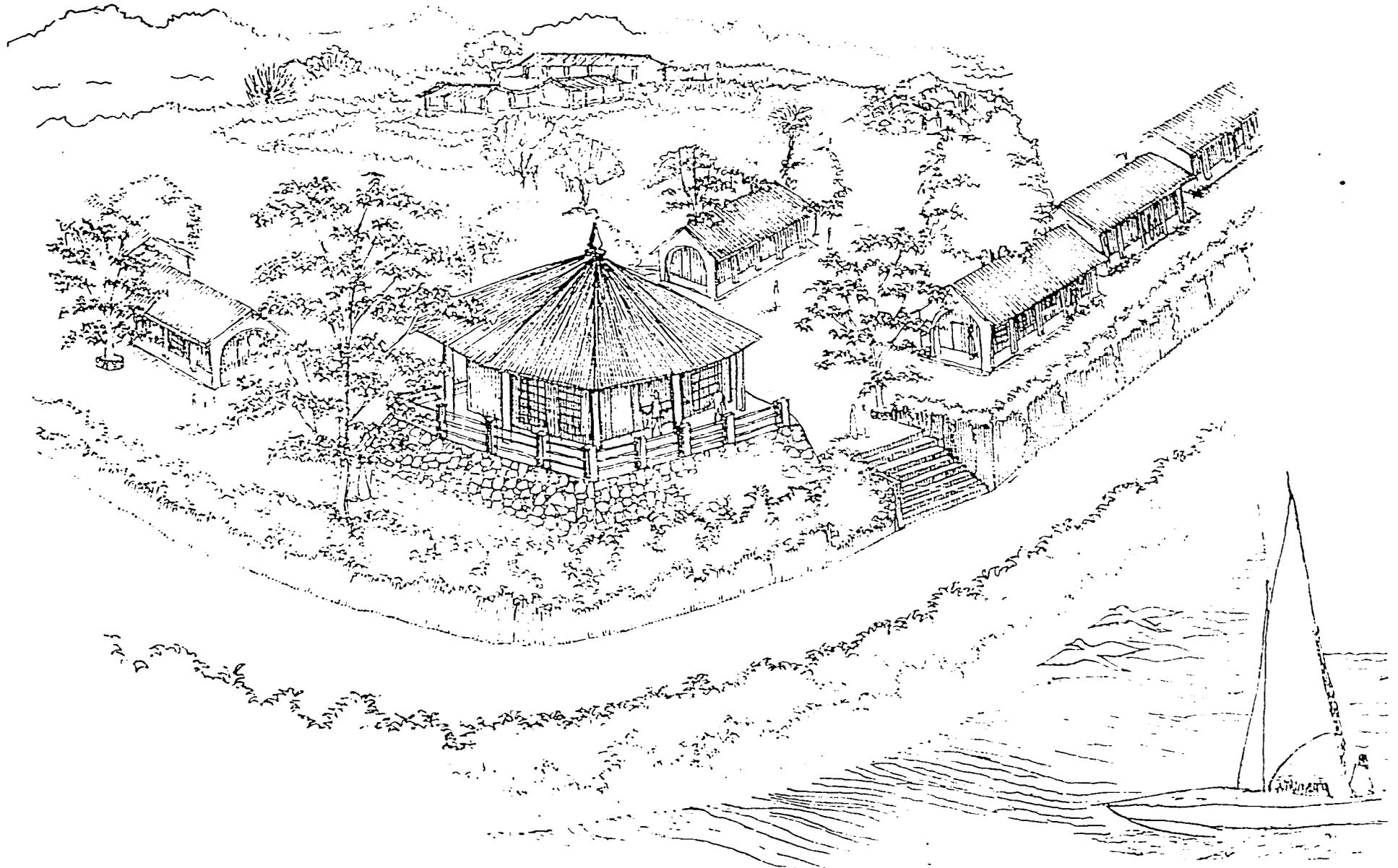
S - 65.1%, S - 34.5%, A - 0.4% Chloride type.



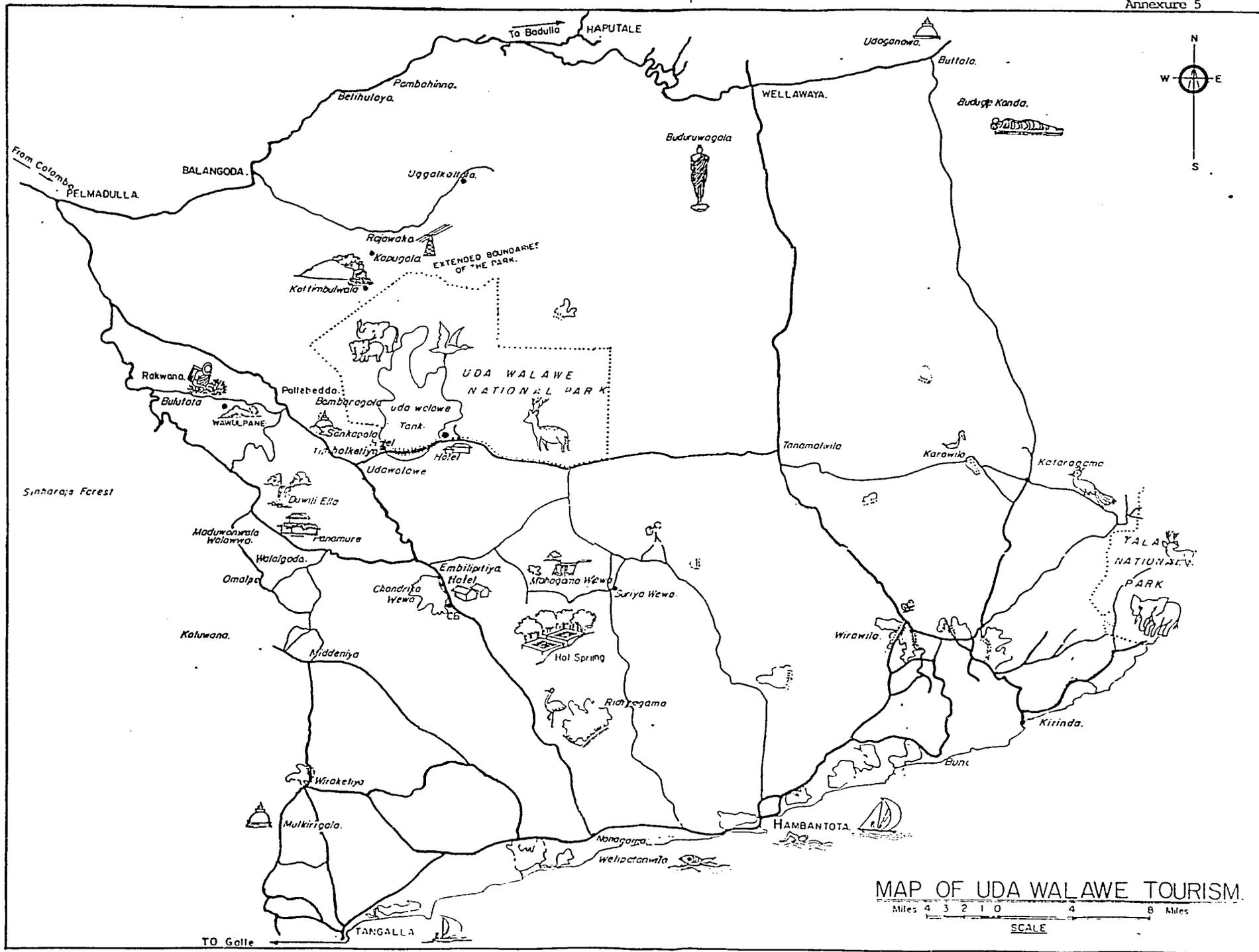
- KEY -**
- ① RESTAURANT, BAR & LOUNGE
 - ② SAFARI TWIN COTTAGES
 - ③ BOAT DOCK
 - ④ REST ROOM & DRIVERS QUARTERS
 - ⑤ TREATMENT PLANT
 - ⑥ ADMIN. COMPLEX

PROPOSED TOURIST DEVELOPMENT AT UDAWALAWE RESERVOIR SITE

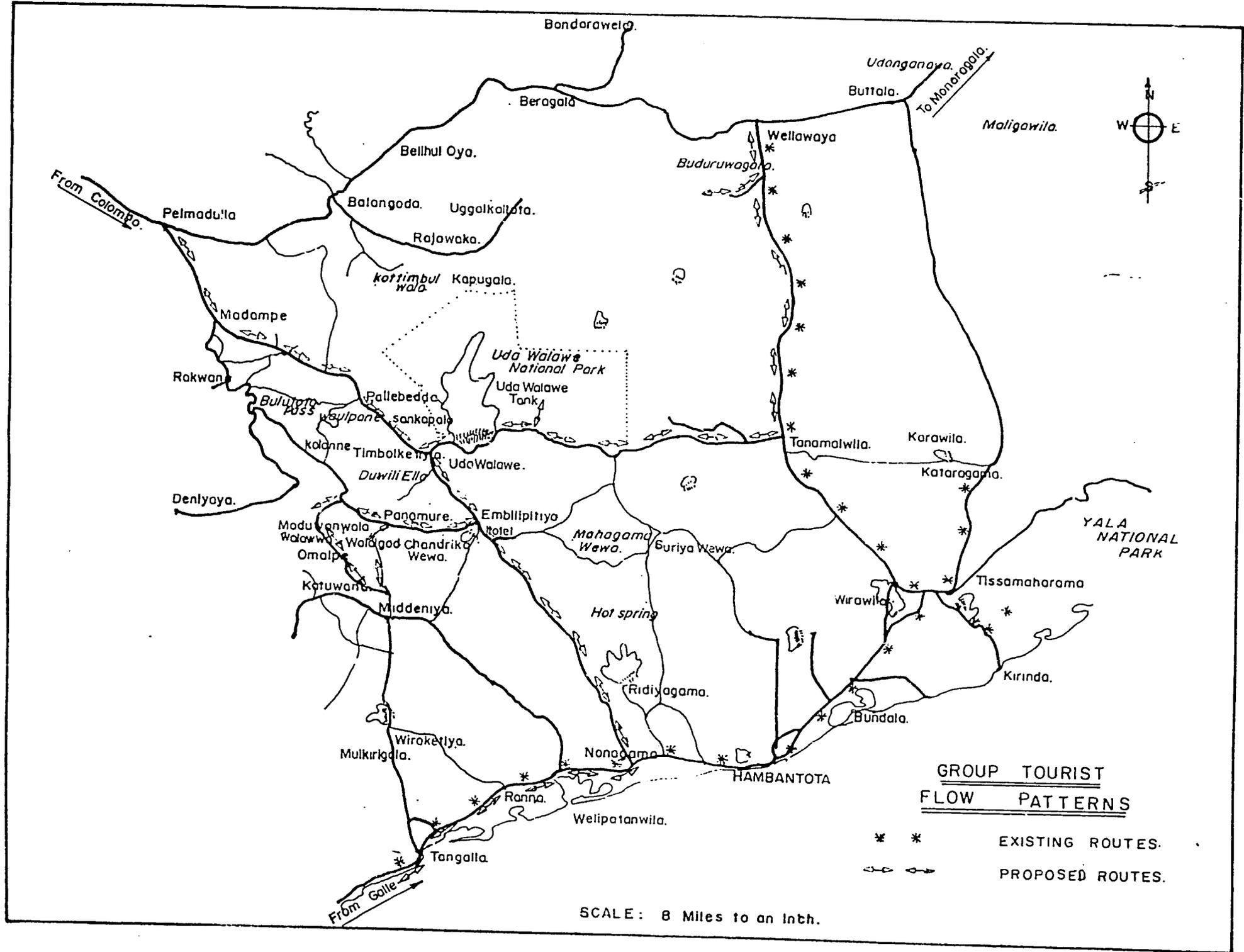
SCALE - 1:1000

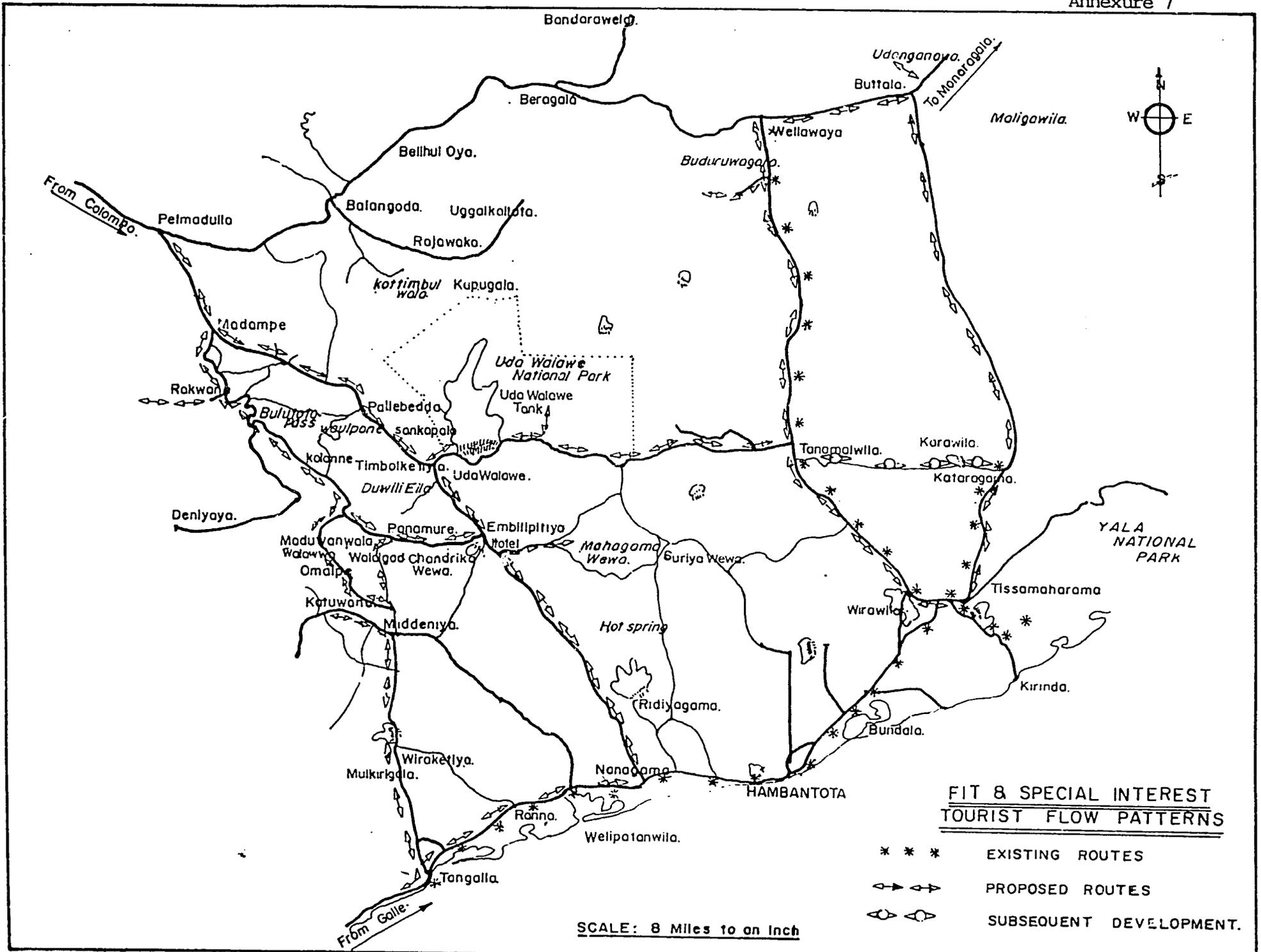


AERIAL VIEW OF PROPOSED TOURIST DEVELOPMENT AT UDAWALAWE RESERVOIR SITE .



MAP OF UDA WALAWE TOURISM.
 Miles 4 3 2 1 0 4 8 Miles
 SCALE





**FIT & SPECIAL INTEREST
TOURIST FLOW PATTERNS**

- * * * EXISTING ROUTES
- ⇄ PROPOSED ROUTES
- ⇄ SUBSEQUENT DEVELOPMENT.

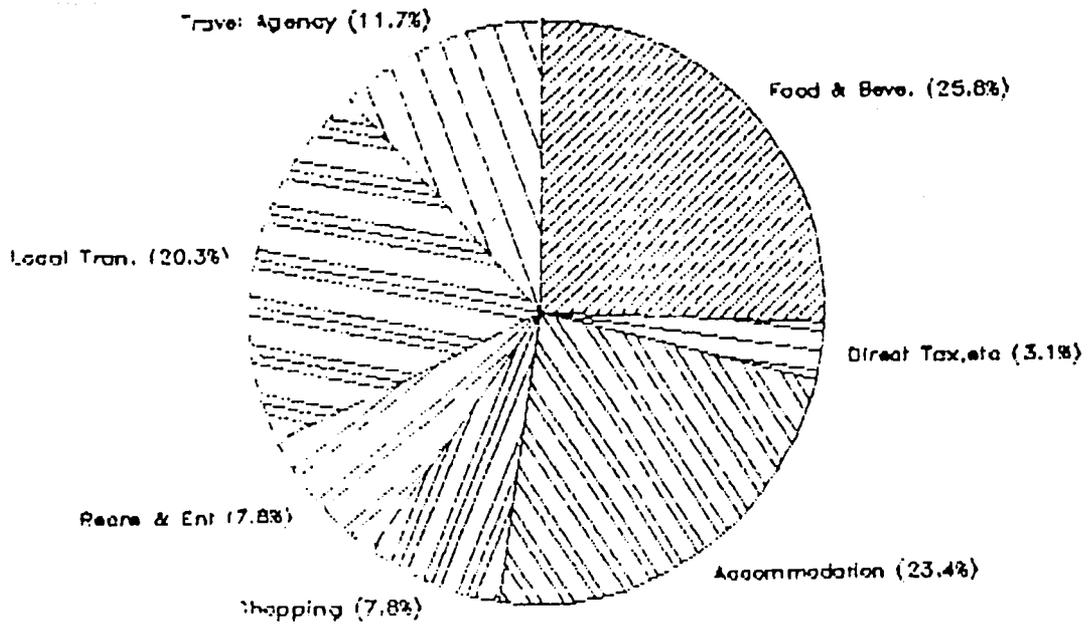
SCALE: 8 Miles to an Inch

PROPOSED COMPOSITION OF THE UDA WALAWE TOURIST INDUSTRY
AND EMPLOYMENT GENERATION BY SECTOR

	No. of employment opportunities by 1993
Accommodation Sector	410
Restaurant Sector	40
Travel Agency related services Sector	70
Tourist Shop Sector	275
Recreational Sector	110
Total (Direct)	905
Indirect	850
	<u>1755</u> =====

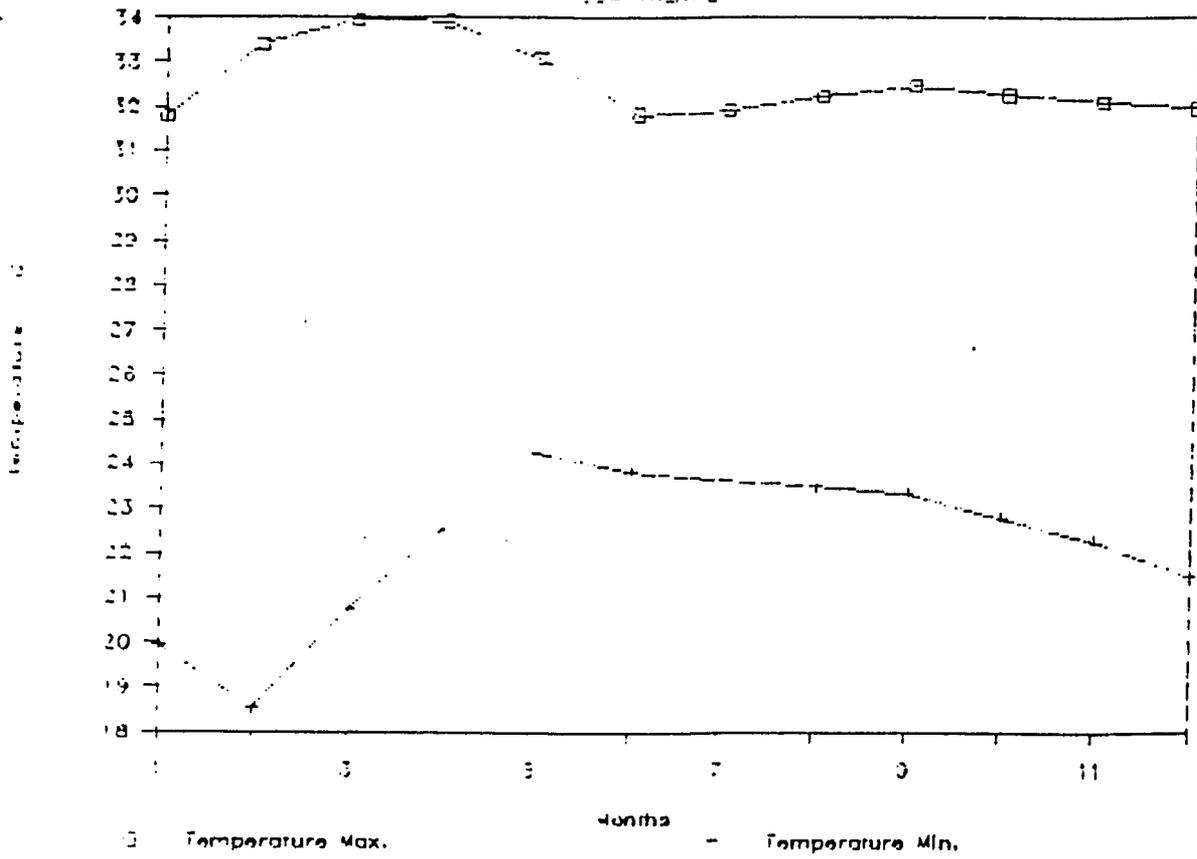
Out of the total income from tourism, it could be approximately indicated that 55% will flow into the community at large through direct and indirect services and facilities provided. On this basis approximately Rs.41.0 million will be distributed. On average taking into account direct as well as indirect employment opportunities created, each opportunity in the Uda Walawe area will generate an income of approximately Rs.1950/- per month. Due to other perks which employees of the tourist industry enjoy the net average earnings per month could be estimated around Rs.2500/-.

JDA WALAWE REGION
COMPOSITION OF TOURIST EXPENDITURE



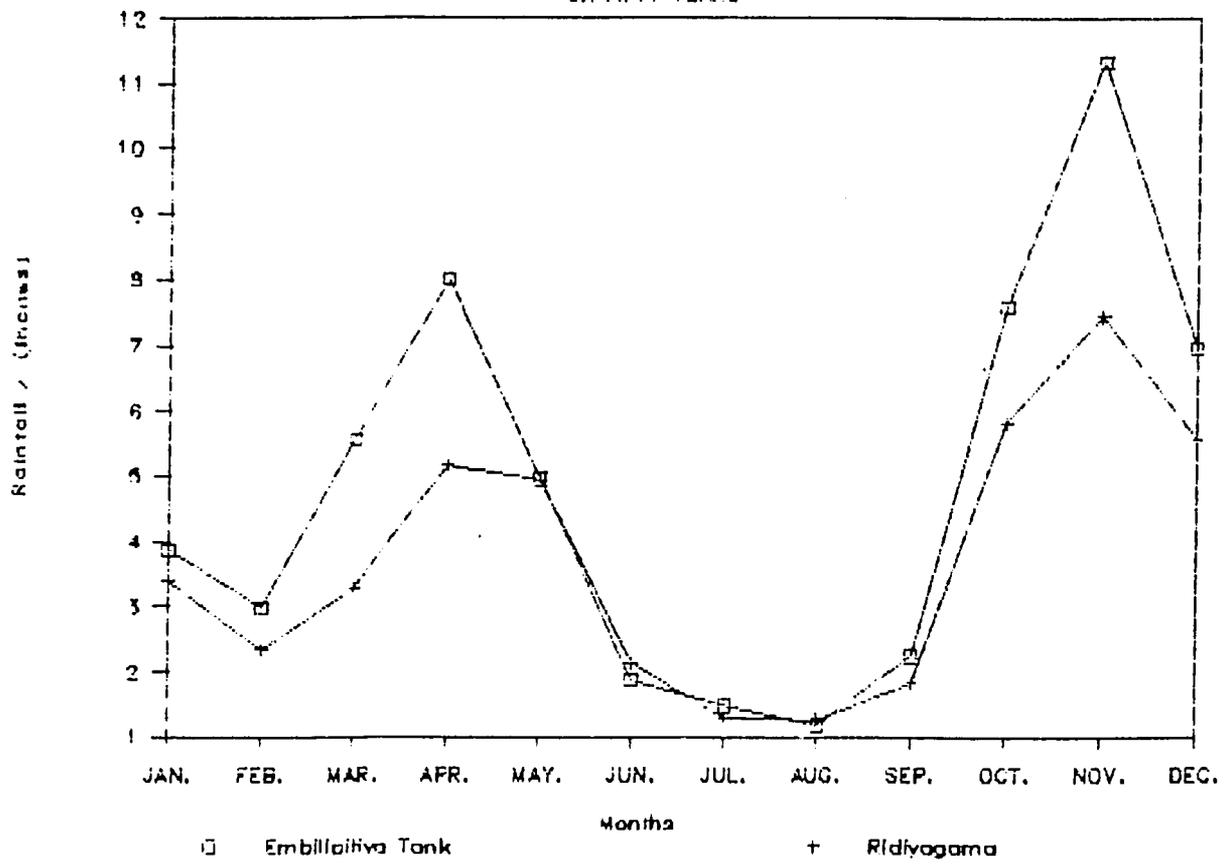
TEMPERATURE - 1989

UDA WALAWE



BEST AVAILABLE COPY

AVERAGE RAINFALL FOR FIFTY YEARS



BEST AVAILABLE COPY

1009

YEAR	January	February	March	April	May	June	July	August	September	October	November	December
1991.									1			
									2			
										3		
										4		
										5-1		
											6	
										7		
												8
												9
										10		
1992		5-1										
		5-2										
								5-3				
							6					
							8					
1993.												

- | | | | |
|---|--------------------------|---|--------------------------|
| 1. Distribution, formation and legislative framework | <input type="checkbox"/> | 6. Additional Infra structure Development | <input type="checkbox"/> |
| 2. Land Usage Plan (Tourism) | <input type="checkbox"/> | 7. Preperation of Communication material | <input type="checkbox"/> |
| 3. Financial incentives for Tourism Development and offer of package to the private sector. | <input type="checkbox"/> | 8. Implementation of Marketing Plan. | <input type="checkbox"/> |
| 4. Park Entrance Development. | <input type="checkbox"/> | 9. Supporting Facility Development. | <input type="checkbox"/> |
| 5. Accommodation sector Development | <input type="checkbox"/> | 10. Community & Man power Developments Programme. | <input type="checkbox"/> |

1
2
3

GUIDE LINES FOR COMPILATION OF PROSPECTUS FOR INVESTORS

For the purpose of attracting investors into the Uda Walawe region, management and decision making information as contained in the main body of the report should be available at their disposal. For the investors guide relevant areas from the main report could be extracted and presented in a digested form for the benefit of the investor. In addition to the following areas from the main report, under financial and fiscal incentives available for development the terms and conditions on which land will be offered to the investor by the Mahaweli Authority will have to be indicated.

Annotated list of attractions

Tourist flow pattern into the Uda Walawe region

Opportunities available for private sector development with evaluation of projects

Financial and fiscal incentives available for development

Commitment of the Authority to promote Uda Walawe region.