Dark Clouds over the Sunshine Paradise

TOURISM & HUMAN RIGHTS IN SRI LANKA
**SUMMARY**

Sri Lanka is a booming tourist destination. In 2014, 1.5 million people visited this holiday island in the Indian Ocean. With 102,922 visitors, Germany represented the second largest Western European tourism group and Switzerland, with 20,097 visitors, the fifth largest. But Sri Lanka is not simply an idyllic holiday destination for sun-seekers. It is also a country with many dark sides that include a 26-year civil war with crimes that remain unaccounted for, and an alarming human rights record. The oppression of ethnic and religious minorities has prevailed beyond the end of the war. During her visit in late August 2013, the then United Nations High Commissioner for Human Rights, Navi Pillay, accused the country of becoming increasingly authoritarian.

In January 2015, the incumbent president, Mahinda Rajapaksa, was unexpectedly defeated in the presidential election by his former ally, Maithripala Sirisena, by 47.58% to 51.28% of the votes. In his manifesto, Sirisena promised to tackle corruption, ensure protection of human rights, and restore the rule of law and democratic principles. Moreover, he has pledged that the power of the president will be reduced by abolishing the executive presidential system. Sirisena has promised to implement a concrete programme, based on his election manifesto, in his first 100 days.

Although this may appear to be a positive starting point, an international, independent investigation into the war crimes committed by all sides and the concrete improvement of minority rights are not given priority in Sirisena’s programme. These two themes were missing entirely from his manifesto, which is unsurprising considering that he was given an important ministerial post in the government of his predecessor, Mahinda Rajapaksa. Furthermore, he took on the position of defence minister on an interim basis several times during the civil war.

In spite of this poor human rights record, the Sri Lankan government promotes a country that has returned to normality. This image of a peaceful and prosperous holiday destination is marketed aggressively in Western Europe. However, this report clearly shows the sobering reality behind the glossy brochures.
MINIMAL HUMAN RIGHTS STANDARDS FALL VICTIM TO TOURISM DEVELOPMENT
The previous Sri Lankan government defined the tourism sector as the key industry to boost its economy in the wake of the civil war. The profits from tourism are primarily intended to benefit the population. In order to make the development of new areas as socially and environmentally compatible as possible, the government’s “Sri Lanka Tourism Development Authority” (SLTDA) introduced minimal development standards, which must be respected by all parties involved. Thus, before realising any major tourism project, environmental and social impact assessments have to be conducted. In a similar vein, the permanent overdevelopment of coastal areas was also prohibited. Yet in reality, these minimal standards have rarely been sufficiently taken into consideration – neither by the government, the investors nor the military. The same applies to the human rights that were incorporated into the constitution.

MILITARY INFLUENCE ON THE TOURISM SECTOR
Despite the end of the civil war, military expenditure has increased continuously during recent years. In 2009, the final year of war, EUR 1.1 billion¹ was reserved for military expenditure. In 2015 the budget allegedly amounts to is EUR 1.9 billion, which equates to 16.6% of the projected national expenditure. The military is focusing this increased budget more and more on tourism with the army, navy and air force opening hotels all over the country and increasingly offering tourist activities. The provision of tourism opportunites by the military is problematic not least because it deprives the local population of an important source of income. Members of the military working in tourism receive their salaries directly from the military department. In return, the military sector secures a lucrative additional income through the tourism sector and is thus able to provide packages at lower prices than the private sector. The employees present themselves quite openly as members of the military, with some even wearing uniforms. The profits made from these tourist deals present a further issue because of the lack of transparency regarding their use.

¹ Conversion rate of Sri Lankan Rupee – Euro = EUR 1 = Rs. 152.3 (20.1.2015).
THE LOCAL POPULATION HARDLY PROFITS AT ALL

To advance a reasonably controlled development of the island, the government has chosen four areas where tourism should be particularly promoted: Kuchchaveli, Passikudah, Kalpitiya and Dedduwa. Our research focuses on the three regions of Kuchchaveli, Passikudah and Kalpitiya. These areas are very ethnically diverse and were rarely frequented by tourists during the civil war. In the meantime, numerous hotel complexes have been built there, which are offered by travel agencies in Germany and Switzerland.

Our primary research interest is whether human rights have been violated in connection with tourism projects and to discern the degree to which the local population actually benefits from the tourism boom: How is it involved in local developments? What impact has tourism had on everyday life? Have local land rights been respected? What are the labour conditions like in the hotels and resorts?

The results are sobering: in all three regions the government’s minimal development standards have scarcely been observed. Environmental and social impact assessments take place only sporadically and little is known about the findings. The local population is not consulted on the planning of tourism projects. Hotels and resorts block access to the sea, thus massively encroaching on the livelihood of local fishermen. Land grabbing is taking place and only a small part of the local population is able to make a living from tourism. The majority of hotel employees come from other Sri Lankan regions. There are no educational opportunities for the local population to cater to the needs of the hotels. Public facilities have had to make way for tourism projects.
RESPONSIBILITY OF GERMAN AND SWISS TRAVEL AGENCIES

Despite the alarming human rights record, at least 49 German and 21 Swiss travel agencies offer hotels in the above-mentioned tourist areas.\(^2\) We call on all travel agencies to contribute to ensuring that tourism developers working in post-conflict areas act according to human rights principles. It is the corporate (social) responsibility and due diligence of the travel agencies to demand these principles consistently from their local partners and to verify their adherence on a regular basis. The United Nations Guiding Principles on Business and Human Rights (UNGPs) provide an important standard for the tourism industry. According to these Guiding Principles, businesses should prevent their activities from having negative effects on human rights and remedy any possible human rights violations. This responsibility not only concerns their own activities, but also human rights impacts that are directly linked to operations, commodities and services involved in their business relations. Respecting human rights is not a passive responsibility; it should be systematically integrated into all corporate processes. The Society for Threatened Peoples (STP) acknowledges the current and voluntary efforts of individual tour operators to incorporate human rights issues into their work. However, the results at hand leave no doubt that, in Sri Lanka, such efforts do not suffice to effectively prevent issues such as the lack of consultation processes, expropriation of land, forced resettlement and restriction of access to the sea, as well as the lack of economic and social inclusion of the local populations in tourism development.

\(^2\) As it was in December 2014.
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1> Introduction: Dark clouds over the sunshine paradise
Sri Lanka has much to offer tourists: breathtakingly beautiful beaches, remarkable flora and fauna, and a significant multi-ethnic cultural history that has left its traces on the island over centuries. It is no coincidence that the Lonely Planet declared Sri Lanka its top destination of 2013. This “Sri Lanka hype” is also manifested in the number of tourists: in 2012, Sri Lanka witnessed the arrival of more than one million tourists in 2013, almost 1.3 million tourists visited, and more than 1.5 million tourists visited in 2014. At least 69 Swiss and 124 German travel agencies offer Sri Lanka as a travel destination in their programmes. In 2013, 102,977 German and 20,097 Swiss tourists visited Sri Lanka. Germany comes in second after Great Britain in terms of the number of Western European tourists. Switzerland ranks in fifth position. Thus, both Germany and Switzerland are important countries for the Sri Lankan tourism sector.

Sri Lanka is not just an idyllic holiday destination. It is a country with a violent past, not least the 26-year civil war whose crimes have still not been addressed, and one that to this day has an alarming human rights situation. Between 1983 and 2009, a civil war involving heavy losses was waged between the Sinhalese and Tamil populations, which ended in May 2009. The UN estimates that the final military campaign between the Sri Lankan Army and the military arm of the Tamil resistance movement, the “Liberation Tigers of Tamil Eelam” (LTTE), alone cost 40,000 to 70,000 lives. So far the Sri Lankan government vehemently refuses to allow an international investigation of the alleged war crimes by the Sri Lankan army and the LTTE. The UN has reacted to this refusal with a comprehensive investigation of the accusations without the consent and cooperation of Sri Lanka, the results of which are expected to be presented in September 2015 at the UN Human Rights Council in Geneva.

7 A list of tour operators can be found in the annex.
1.1. CRITICAL HUMAN RIGHTS SITUATION IN AN AUTOCRATICALLY LED COUNTRY

Five years after the end of the civil war, massive ongoing violations of political, social, economic and cultural rights are still being documented in Sri Lanka. Following her visit in late August 2013, the then United Nations High Commissioner for Human Rights, Navi Pillay, described the country as showing “signs of heading in an increasingly authoritarian direction”.13 Numerous reports from international as well as Sri Lankan human rights organisations, such as International Crisis Group (ICG), Human Rights Watch (HRW), Amnesty International (AI) and the Centre for Policy Alternatives (CPA), draw a sinister picture.14 Also worth mentioning here is the comprehensive study on torture and sexual violence in Sri Lanka from 2009 to 2014 published in March 2014 by South African human rights lawyer Yasmin Sooka.15 The study shows that torture and sexual violence committed by the military still prevail and are often used systematically. Yet only in a minority of cases does this have any legal consequences.16 For members of the Tamil minority in particular, there is an increased risk of being subjected to torture or sexual assault.17

Freedom of speech and freedom of the press in Sri Lanka are also sources of growing concern. In 2013 Sri Lanka ranked 162 (of 179) on the Press Freedom Index published by “Reporters Without Borders”.18 Media personnel are being threatened, killed, disappeared, abducted or forced to leave the country.19 Since 2002, at least 19 journalists have been assassinated and no one has been held accountable.20 Human rights lawyers and employees

16 Cf. ibid.
of NGOs are also living with the increased occupational hazard of becoming targets of media hate campaigns, serious intimidation and arrest.\textsuperscript{21} This has also affected the research undertaken for this report since the space for critical expression on human rights diminished further during the summer and autumn of 2014. Safety measures had to be taken to carry out the research, which made the work on site very complex and difficult.

In January 2015, the incumbent President, Mahinda Rajapaksa, was unexpectedly defeated in the presidential election by his former ally, Maithripala Sirisena, by 47.58\% to 51.28\%.\textsuperscript{22} In his manifesto, Sirisena promised to tackle corruption, ensure protection of human rights and restore the rule of law and democratic principles. Moreover, he has pledged that the power of the president shall be reduced by abolishing the executive presidential system.\textsuperscript{23} Sirisena will implement a concrete programme based on his election manifesto in his first 100 days. Although this may appear to be a positive starting point, an international, independent investigation into the war crimes committed by all sides and the concrete improvement of minority rights are not given priority in Sirisena’s programme. These two themes were missing entirely from his manifesto\textsuperscript{24}, which is unsurprising, considering that he was given an important ministerial post in the government of his predecessor, Mahinda Rajapaksa. Furthermore, he took on the position of defence minister on an interim basis several times during the civil war.\textsuperscript{25}

1.2. OPPRESSION OF ETHNIC AND RELIGIOUS MINORITIES CONTINUES

Sri Lanka has always been a multi-ethnic and multi-religious island. Buddhist Sinhalese represent the largest population group. The largest ethnic minority are Hindu Tamils, followed by Muslims. Furthermore, there are numerous, well-organised Christian communities in Sri Lanka.\textsuperscript{26}

\textsuperscript{24} http://www.news.lk/fetures/item/5665-maithripala-sirisena-s-100-day-work-programme (14.1.2015)
\textsuperscript{25} Cf. http://www.defence.lk/main_abt.asp?fname=President (02.02.2015)
\textsuperscript{26} In 2012, more than 20 million people lived in Sri Lanka. 74.9\% were Sinhalese, 11.2\% Sri Lanka Tamils, 4.3\% Indian Tamils and 9.2\% Moors or Muslims. While the Sinhalese predominantly populate the south of Sri Lanka, the majority of Tamils live in the northern provinces of the country. In 2012 religious affiliation was as follows: 70.2\% Buddhist; 12.6\% Hindus, 9.7\% Muslim and 7.4\% Christians (Cf. http://www.statistics.gov.lk/PopHouSat/CPH2011/index.php?fileName=pop42&gp=Ac-
The oppression of these ethnic and religious minorities still prevails, even though the war has ended.

In its 2012 report, the “International Crisis Group” (ICG) refers to an increasing and controlled “Sinhalisation” of the majority Tamil-populated north and east of the country, with the alleged objective of bringing about a demographic change in favour of the Sinhalese majority. With the systematic settlement of the Sinhalese people, the government and army intend to change the population ratio in Tamil areas.\(^\text{27}\) A study by the Sri Lankan organisation “The Social Architect” ascertained that the government changed the Tamil names of 89 villages into Sinhalese.\(^\text{28}\) Moreover, 367 Hindu temples destroyed in the war have deliberately not been reconstructed. In some areas, Buddhist shrines have even been erected in their place.\(^\text{29}\) Likewise, the Tamil population is systematically denied the right to commemorate their relatives in public: in May 2014, the government prohibited the Tamil population’s commemoration of their victims of war.\(^\text{30}\)

Attacks on Muslims have also increased since the end of war. The “Sri Lanka Muslim Congress” (SLMC) documented 241 attacks in 2013, 118 of which were attributed to socio-political movements or politicians.\(^\text{31}\) In the majority of cases, the victims could not be protected against the violence, even in the presence of the police.\(^\text{32}\) Finally, in the early summer of 2014, the interreligious tensions reached a climax. A riot erupted in Aluthgama between the participants of a protest march organised by the extremist Buddhist organisation “Bodu Bala Sena” (BBS) and the Muslim inhabitants, in which four people died and 88 were injured.\(^\text{33}\) Two days later, another

\(^\text{29}\) Ibid.
\(^\text{32}\) Ibid.
riot broke out in nearby Welipenna when an armed Sinhalese mob attacked a Muslim neighbourhood destroying nine houses and 26 shops. Christians too are increasingly becoming victims of violent attacks. In 2013, 69 assaults on Christians were documented. By November of 2014, 62 incidents had already been recorded ranging from battery to anti-Christian propaganda. The attack by a Buddhist mob on a church in the tourist town Hikkaduwa was even mentioned in the BBC News.

1.3. TOURISM AS POLITICAL PROPAGANDA

Examples from Egypt and Myanmar show that in post-conflict situations, it is mostly governments and security forces that profit from booms in tourism. Often only little remains for the local population. In Sri Lanka too the army is gradually extending its influence in the tourism sector.

By promoting Sri Lanka as a tourism destination, the Sri Lankan government is trying to promote the image of a country that has returned to normality. Hence, the Sri Lankan High Commissioner to Australia, Admiral Thisara Samarasinghe, emphasised in an interview that the Lonely Planet would hardly choose a country as it top destination where torture and sexual violence persisted. With an aggressive advertising campaign in English, French and German taxis, Sri Lanka is striving to present itself as a peaceful, prosperous holiday destination in the Western European market too.

The report at hand shows with great clarity the enormous discrepancy between this image and reality.

1.4. THE RESPONSIBILITY OF INTERNATIONAL TRAVEL AGENCIES

In order to meet the challenges in post-conflict areas, travel agencies must make sure that tourism development is in keeping with human rights principles. It is the corporate (social) responsibility and due diligence of travel agencies to systematically request these from their local partners and to verify their observance on a regular basis.\textsuperscript{44} The “United Nations Guiding Principles on Business and Human Rights” (UNGPs) provide an important guide for the tourism industry in doing so.\textsuperscript{45} According to these Guiding Principles, businesses should prevent the negative effects of their activities on human rights and remedy human rights violations. The Roundtable on Human Rights in Tourism concluded that this responsibility not only concerns their own activities, but also the impact on human rights that is directly linked to operations, commodities and services involved in their business relations.\textsuperscript{46} Respecting human rights is not a passive responsibility. It must be systematically integrated into all corporate processes. The “Society for Threatened Peoples” (STP) welcomes the current voluntary efforts of individual tour operators to include human rights in their work.\textsuperscript{47} However, the results at hand leave no doubt that in Sri Lanka such efforts do not suffice to effectively address issues such as the lack of consultation processes, expropriation of land, forced resettlement and restriction of access to the sea, as well as the lack of economic and social inclusion of the local populations in tourism development.

Objective and method
2.1. REVIEWING THREE DESTINATIONS

The objective of the current report is to uncover if, and to what extent, human rights principles are being applied in the development of tourism in Sri Lanka, to identify the human rights risks accruing from the current development of new tourism destinations and to assess the resulting implications for the due diligence of Swiss and German travel providers. In so doing, we have focused on three locations where tourism has already been particularly promoted: Kalpitiya, Passikudah and Kuchchaveli. These three locations are very ethnically diverse.

In our research we investigated the following indicators:

- The involvement/participation of the local population in the tourism projects
- The economic and social effects of tourist development on the local population
- The appropriation of land for tourism projects
- The working and recruitment conditions in hotels and the ethnic mix of their employees.

In order to gather detailed information about working conditions and possible discriminatory behaviour towards minorities, we analysed one hotel in each of the three regions. Two of the three hotels can be booked via numerous Swiss and German tour operators. The third hotel is the only one on the Kalpitiya islands that is already open and can be booked via popular search engines on the internet.\(^48\) The analyses and statements about the hotels are strictly case-specific and cannot therefore be generalised: they do not reflect on other hotels in the selected areas.

\(^{48}\) See agoda.com; booking.com; holidaycheck.ch.
The statements contained in this report are based on desk research as well as fieldwork. The field study was coordinated and conducted by our Sri Lankan partner organisation “National Fisheries Solidarity Movement” (NAFSO). In each of the three regions, NAFSO worked together with competent, local, multi-ethnic partners who conducted interviews with fishermen, local fishery organisations, hotel employees and members of hotel management, and collected corresponding information. For fear of reprisals, many of the interview partners preferred to stay anonymous but gave permission to use their statements in the present report. For the protection of the informants, they have been anonymised in this report. However, their identities are known to the STP unless stated otherwise.

Role of the armed forces
Members of the Sri Lankan armed forces are employees of the Ministry of Defence (MOD). The MOD consists of the Sri Lankan army, navy and air force. Until January 2015, the MOD was under the direct control of the Secretary to the Ministry of Defence, the former president’s brother, Gotabaya Rajapaksa, who was in command of the final military offensive against the LTTE and is being investigated for war crimes against Tamil civilians.

Despite the end of the civil war, military expenditure has been continuously increased in recent years. In 2009, the final year of the war, EUR 1.1 billion was reserved for military expenditure, while in 2015, the amount reserved is EUR 1.9 billion, which equates to 16.6% of the projected national expenditure. If and how the budget will change under the cabinet of Maithripala Sirisena remains to be seen.

3.1. MILITARY PRESENCE IN THE NORTH

Five years after the end of the war, the presence of security forces remains high in the north of Sri Lanka. In January 2014, former-President Mahinda Rajapaksa claimed in a newspaper interview that the number of military personnel in the north had been dramatically reduced from 70,000 to 12,000. Yet shortly afterwards, during a presentation to foreign diplomats in Geneva, the presidential secretary, Lalith Weeratunge, contradicted this data. Weeratunge indicated a reduction of 30% of army troops from the peak deployment of 120,000 soldiers at the end of the war to 80,000 soldiers in October 2013. However, this reduction only referred to army troops – naval and air force troops have not yet been included. During

her visit to the northern and eastern provinces of Sri Lanka, former United Nations High Commissioner for Human Rights Navi Pillay came to the conclusion that the impact of soldiers on the communities seemed much greater than was required for restoring security or for reconstruction purposes. In October 2014, the MOD issued a statement saying that foreign passport holders are requested to secure prior permission before travelling to the north and, in doing so, must declare the purpose of their visit. In mid-January 2015, this restriction was lifted by the new government.

3.2. LAND GRABBING BY THE ARMED FORCES

For decades, the armed forces have claimed vast stretches of land in the north of Sri Lanka for themselves. During the war, many Tamils fled the north and settled abroad or in other regions of the island. Since the end of the war, many of them have wanted to return and reclaim their land. However, the army has other plans: the appropriated estates have become Military Camps, "High Security Zones" (HSZ) or "Special Economic Zones" (SEZ). The armed forces have laid claim to approximately 6,000 acres of land that they want to permanently convert into HSZ in Jaffna peninsula alone.

Our research shows that the navy has also appropriated land in Kalpitiya. The navy has occupied seven shops and a hospital campus. Those affected received no compensation even though the land rights of the inhabitants are documented. Furthermore, the navy has allegedly prohibited fishing in the vicinity of their camp which, during the war, was still allowed. Moreover, on site we received information that the [Sri Lankan] intelligence

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agency stops and interrogates fishermen at sea. According to our findings, the navy has also confiscated 150 acres of land in Kuchchaveli, including one coconut seed propagation and nine access points to the sea.

3.3. ARMED FORCES IN THE PRIVATE SECTOR
Militarisation is omnipresent, not only in the northern province but also in Colombo, the commercial capital of Sri Lanka. The army has taken over a variety of communal tasks such as landscape conservation, construction and cleaning work.\textsuperscript{69} Since the end of the civil war, the army has also become increasingly involved in activities in the private sector. Hence, a professed goal of the army is to participate in the growth of the gross domestic product with real economic activities.\textsuperscript{70} By its own admission, in 2011 the army had already started to sell vegetables for lower prices than traditional suppliers.\textsuperscript{71} In 2012 the army established its own Directorate for Agriculture and Livestock to promote agricultural and dairy products. The Directorate is in charge of the army-managed farms where rice, fruit, vegetables and dairy products are produced.\textsuperscript{72} It is the professed goal of the army to become the nation’s largest dairy producer.\textsuperscript{73}

3.4. ARMED FORCES IN THE TOURISM SECTOR
In addition to communal tasks and the promotion of agriculture, the armed forces are increasingly focusing on tourism. The army, navy and air force have opened hotels all across the country offering tourists a variety of activities. On the occasion of the meeting, which was attended by a member of the NAFO research team in September 2014, Hewawithanage Laal Perera, Lieutenant Commander of the eastern province, asserted the armed forces’ intention to manage over 150 hotels all over the country in the years to come.

## List of military-run tourist facilities and packages

| Army head quarters in Jaffna | Laya Hotels (Laya Beach Wadduwa, Laya Leisure Kalutara, Laya Safari Yala, Laya Waves Kalkudah)\(^a\)  
|                           | • In planning: a five-star hotel in Colombo\(^b\)  
| Navy                      | Malima Hospitality Services (Weligambay Villas Mirissa, Golflink Hotel Trincomalee, Lighthouse Galley Colombo, Lagoon Cabanas Panama, Fort Hammehniet Jaffna, Lake Front Rest Kanthale, Dambakolapatuna Rest Jaffna, Sober Island Resort Trincomalee)\(^c\)  
|                           | • Whale Watching (summer: Trincomalee, winter: Galle\(^d\))  
| Air Force                 | Helitours (domestic flights in Sri Lanka)  
|                           | • Marble Beach Resort  
|                           | • Eagles Golf Link (golf link in nearby Trincomalee)  
|                           | • Eagles Heritage Golf Club (golf club near Anuradapura)  
|                           | • Eagles Bay View Resort China Bay\(^e\)  
| Army head quarters in Mullaitivu | Thalsevana Holiday Resort Kankesanthura\(^f\)  
|                           | • Nature Park Holiday Resort Chundikulam\(^g\)  
|                           | Lagoon's Edge Holiday Bungalow  
|                           | Green House Holiday Bungalow\(^h\)  

According to the Sri Lankan newspaper “Sunday Leader”, there is concrete evidence that the land now accommodating, among others, the “Lagoon Cabanas Panama” has been expropriated without adequate compensation of its former owner. The land now belongs to the navy.\footnote{Cf. http://www.thesundayleader.lk/2013/05/12/land-grab-at-panama/ (06.10.2014).} Moreover, according to the information of our research partner, the “Thalsevana Holiday Resort Kankesanthurai” in the north of the country is located in one of the HSZ. The armed forces forbid civilians from entering this territory.

The STP considers the military-run tourist facilities and packages extremely problematic because they deprive the local population of an important source of income. Members of the armed forces working in tourism receive their salaries directly from the military department. Thus, the armed forces secure a lucrative additional income in the tourism sector and can provide deals at lower prices than the private sector.\footnote{Cf. https://www.colombotelegraph.com/index.php/increasing-military-involvement-in-sri-lankan-business-ventures/ (03.12.2014).} The employees reveal themselves relatively openly as members of the armed forces with some even wearing uniforms. The profits made from these tourist deals present a further issue because of the lack of transparency concerning their use.
Human rights in tourism
Despite the fact that the international tourism industry, more than any other, depends on the sustainable development of its markets and a good image, it lags far behind other industrial sectors in terms of corporate responsibility. Tourism businesses are increasingly obliged to assume complete responsibility. A socially responsible corporation should permanently engage its partners in a dialogue on respect for human rights as well as ecological and social improvements, and support them in their implementation.76

This report is guided exclusively by international standards relevant for the responsible conduct of commercial enterprises. These include binding human rights conventions as well as so-called soft law obligations.

4.1. INTERNATIONAL HUMAN RIGHTS FRAMEWORK
Sri Lanka is encouraged to respect the Universal Declaration of Human Rights of 194877 and has ratified the following UN human rights conventions78:

- International Covenant on Economic, Social and Cultural Rights (ICESCR)79
- International Covenant on Civil and Political Rights (ICCPR)80
- Convention against Torture81
- Convention on the Elimination of All Forms of Discrimination against Women82
- International Convention on the Elimination of All Forms of Racial Discrimination83
- International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families84
- Convention on the Rights of the Child85

4.2. SOFT LAW OBLIGATIONS

Since the mid-1990s, various initiatives have been taken at international level for the normative determination of the human rights responsibility of transnational corporations. A number of basic rules and standards have resulted from these initiatives in terms of soft law with a smooth transition towards self-organised commitment:

- IFC Sustainability Framework of the World Bank (Policy on Environmental and Social Sustainability, Performance Standards and Access to Information Policy)\textsuperscript{86}
- Tripartite ILO Declaration of Principles (concerning multinational enterprises and containing 59 principles including the international labour standards of the ILO)\textsuperscript{87}
- UN Guiding Principles on Business and Human Rights (concerning states as well as businesses)\textsuperscript{88}
- OECD Guidelines for Multinational Enterprises (concerning any business based in an OECD country)\textsuperscript{89}
- Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests by the Food and Agriculture Organization of the United Nations (FAO) (concerning governments and corporations planning to purchase or use land)\textsuperscript{90}

Switzerland and Germany have adopted the soft law obligations listed above. With the exception of the OECD Guidelines, the guidelines and principles mentioned above also apply to Sri Lanka.

4.3. UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS
The UN Guiding Principles on Business and Human Rights have special significance for respecting human rights in tourism. They apply to both states and businesses. The Guiding Principles do not comprise obligations under international law. However, they are increasingly becoming a concrete reference framework on the obligations of states and the responsibilities of businesses. They are primarily based on the existing binding human rights obligations of states. In addition, they have been given a certain significance by a unanimous decision of the UN Human Rights Council and the acceptance that they have found in economic organisations like the OECD and the International Finance Corporation (IFC) of the World Bank. Nevertheless, the implementation of the Guiding Principles in the nation states has proven very difficult.

The EU Commission has requested that its member states prepare action plans for the implementation of these guidelines on business and human rights.91 At present, the United Kingdom, the Netherlands, Italy and Denmark have a national action plan for the implementation of these guidelines.92 In Switzerland, a national action plan is also currently being developed in this area.93

92 Cf. ibid.
The three pillars of the Guiding Principles on Business and Human Rights: ⁹⁴

1 The state duty to protect human rights:
States must guarantee protection against human rights violations committed by third parties, such as businesses, within their territory. This calls for appropriate measures to prevent, investigate, prosecute and compensate for human rights violations.

2 Corporate responsibility to respect human rights:
Businesses should respect human rights and avoid negative impacts that are caused directly or through their business relations. In order to assume responsibility, businesses should possess corresponding principles and procedures and act with due diligence.

3 Right to remedy:
States must take adequate measures to provide access to an effective remedy and appropriate compensation for the affected parties. In addition to judicial mechanisms, states must also provide non-judicial grievance mechanisms. Moreover, businesses should also provide effective grievance mechanisms at an operative level, or participate in such mechanisms.

Tourism in Sri Lanka: Five-year-plan for the key industry
5.1. DEVELOPMENT STANDARDS
The Sri Lankan government has defined the tourism sector as the key industry to advance the economy in the wake of the civil war. The profits from tourism are intended primarily to benefit the population.95 In order to make the development of new areas as socially and environmentally compatible as possible, the Sri Lanka Tourism Development Authority (SLTDA) introduced minimal development standards, which must be observed by all parties involved.96

The major points are:
• An adequate quality and quantity of water supply for the tourism projects must be guaranteed. The minimum requirement per guest is 450 litres of water per day. Moreover, every tourism project should have an environmentally friendly wastewater system. All tourism projects must be approved by the Central Environmental Authority.97

• Depending on the project size and the vulnerability of the terrain, future investors must conduct an environmental impact assessment. Major tourism projects in socially sensitive areas require a prior social impact assessment. Yet, it remains unclear exactly how these assessments will be conducted, according to which criteria and how the data will be verified.98

• The Coast Conservation Department has, in turn, determined a framework for the use of the coasts in the tourism zones. The regulations determine that under no circumstances can the coasts be permanently built over. The only constructions allowed on the beaches are soft developments without permanent foundations that can be easily removed.99 Buildings relating to water sports, however, are to be considered case by case by the SLTDA.100

96 A survey of legal and institutional foundations for tourism development in Sri Lanka can be found in the annex.
98 Cf. ibid.
Unlike the environmental and social restrictions, the standards regarding the wellbeing of the guests are much more specific. Hence, the development standards contain details on the foliage, ventilation, air-conditioning and parking, as well as the condition of access roads.\textsuperscript{101} The regulation makes no reference to the needs of the local population.

\textbf{5.2. TOURISM STRATEGY 2011–2016}

To advance tourism after the civil war, the government has issued a five-year plan (2011–2016).\textsuperscript{102}

The plan contains the following goals and strategies:

\textbf{Goals}\textsuperscript{103}

- 2.5 million visitors in 2016
- USD 3 billion direct foreign investment in five years
- More jobs in the tourism sector (from 125,000 in 2010 to 500,000 in 2016)
- Proceeds from tourism to benefit the population
- Increase of foreign exchange revenue (from USD 500 million in 2010 to USD 2.75 billion in 2016)
- Tourism as major contribution to improve the international trade volume
- Make Sri Lanka one of the most popular holiday destinations in Asia

\textbf{Strategies}\textsuperscript{104}

- Create conditions that are conducive to tourism
- Encourage the right “type of tourist”
- Ensure tourist satisfaction
- Promote domestic tourism
- Improve the global image of Sri Lanka

\textsuperscript{101} Cf. ibid.
\textsuperscript{103} Cf. ibid.
\textsuperscript{104} Cf. ibid.
In order to improve conditions for tourism in Sri Lanka, taxes for investors should be simplified, energy costs reduced and the infrastructure improved. Furthermore, the number of hotel rooms should be massively increased. In 2010, 22,735 SLTDA-approved rooms were available. However, for the accommodation of a future 2.5 million tourists, a further 22,500 rooms are required. As incentives for foreign investors, Sri Lanka has introduced 4- to 12-year tax exemptions for investments of EUR 327,600 million upwards.

To advance the reasonably controlled tourist development of the island, the government has established a total of 45 “tourism zones”. The objective of this strategy is to minimise negative impacts on the environment. From these 45 tourism zones, four main areas have been chosen in particular for promotion.

Considering current developments, the government’s strategy seems to be working. While in 2008, 440,000 tourists came to Sri Lanka, by 2013 their number had already risen to 1.3 million. In 2014, 1.5 million tourists had arrived. Likewise, the inflow of foreign exchange revenue has grown substantially: compared to the previous year, revenue increased by 44.1%, amounting to USD nearly 1.04 billion. Thus, the tourism sector became the fifth largest source of exchange revenues in Sri Lanka. In the same year, 17.4% more jobs were created in the tourism sector compared to the previous year.

105 Cf. ibid.
5.3. TOURISM ZONES

- Hikkaduwa
- Galle
- Negombo
- Puttalam
- Kalpitiya Resort Development
- Dedduwa Resort Development
- Arugam Bay
- Batticaloa
- Trincomalee
- Mullaitivu
- Passikudah Resort Development
- Kuchchavelli Resort Development
- Jaffna
- Kankesanthurai
- Sigiriya
- Kandy
- Puttalam
- Nuwara Eliya
- COLOMBO
- Aluthgama
- Dedduwa Resort Development
- Hikkaduwa
- Galle
- Pananma
- Arugam Bay
- Kandy
Tourism development is supposed to focus on four main areas:\[112\]

- Kuchchaveli close to Trincomalee on the north-east coast
- Passikudah close to Batticaloa on the east-coast
- Kalpitiya in Puttalam district on the north-west coast
- Dedduwa on the south-west coast close to Bentota

In our investigations, we have focused on the zones Kalpitiya, Passikudah and Kuchchaveli. These areas are ethnically very diverse and were rarely frequented by tourists during the civil war. At least 49 German and 21 Swiss travel providers offer hotels in these three areas.\[113\]

5.3.1. KALPITIYA
Kalpitiya is a peninsula surrounded by smaller islands. Located approximately 170 km north of Colombo, the Kalpitiya region is an enchanting coastal area separating Puttalam Lagoon from the Indian Ocean.\[114\] Both before and during the civil war, Kalpitiya was a little known tourist attraction.\[115\] Compared to other Sri Lankan regions, its health system, public infrastructure and educational institutions are poorly developed.\[116\] In 2012, 759,776 people lived in the Puttalam district to which Kalpitiya belongs.\[117\] There are 86,019 people distributed across the Kalpitiya region.\[118\] The population of the Puttalam district is very diverse in terms of ethnicity and religion: 73.6% of the inhabitants consider themselves Sinhalese, 19.3% Muslim and 6.3% Tamil;\[119\] 43.2% profess Buddhism, 20% Islam, 3.8% Hinduism and 32.8% Christianity.\[120\]  

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113 Exact listing follows in the subsequent paragraphs.  
“Kalpitiya Integrated Tourism Resort Project” (KITRP)

To promote the use of its tourist attractions, in 2008 the government initiated the “Kalpitiya Integrated Tourism Resort Project” (KITRP). The objective of this project is to find investors willing to fund hotels and infrastructure projects for the 14 islands. At least six luxury resorts are planned. The government would like to follow the Maldivian example and establish Kalpitiya as a tourism region in the upper price range. According to the SLTDA, 10,000 beds in 17 hotels should be developed in the coming years. To achieve this goal, the SLTDA is willing to give public land on 30- to 50-year leases to [foreign] investors. According to our research, an environmental impact assessment, but so far no social impact assessment, has been conducted at Kalpitiya. It is the professed goal of KITRP to generate employment for 15,000 people directly and another 22,500 indirectly. Moreover, participation of the local population in the tourism projects should be guaranteed. Apparently, neither displacements nor losses of livelihood will occur in the process.

In addition to accommodation, further tourist attractions are planned for the islands such as an amusement park, a domestic airport and a golf link. Private investors and the required infrastructure, however, still remain to be found.

At first sight, the government plans seem to be proving successful: according to the New York Times, Kalpitiya ranked 31st on the list of the “45 Places to Go in 2013”.

Existing hotels
In late December 2014 the first hotel on these islands could already be booked internationally: the luxury hotel “Dutch Bay Resort”, located on Mohotthuwarama island (also known as “Dutch Bay” or “Mutwal”).

Dutch Bay Resort

<table>
<thead>
<tr>
<th>Opening: 2013</th>
<th>Owner: Neil De Silva, Dutch Bay Resorts Kalpitiya</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The Dutch Bay Resort cannot be booked directly through a German or Swiss travel agency, but it is possible via established search engines (agoda.com; booking.com; holidaycheck.ch).</td>
</tr>
</tbody>
</table>

Planed hotels
The “Sun Resort Investments Company Ltd.” plans to develop an environmentally friendly tourist resort on Vellai island. This is a joint venture of Sri Lankan, Maldivian and Swiss investors who have leased the island for EUR 24,200 for five years from the government. The “Sun Siyam Kalpitiya” is scheduled to open in 2017. On Ippantivu island, the Indian “Qube Lanka Leisure Properties (Pvt) Ltd” is also planning an apparently eco-friendly resort, in which it is investing USD 16.82 million (EUR 14.5 million). The Indian corporation was able to lease the islet for almost EUR 98,200 for five years.

5.3.2. PASSIKUDAH

Passikudah is a small village on the east coast of Sri Lanka. The Maalu Maalu Resort describes Passikudah as “a quiet getaway by the sea far away from the hustle and bustle of the city. Feel the soft, warm white sand as you go barefoot in paradise! Delight in the gentle coastal breeze as it sweeps all around you”.

Passikudah is located in the Batticaloa district. In 2012, the Batticaloa district had a population of 525,142, 23,317 of whom are distributed across the Passikudah region. This area too has a very diverse ethnic and religious make-up: 72.6% identify themselves Tamil, 25.5% Muslim and 1.2% Sinhalese; 64.6% profess Hinduism, 25.5% Islam, 8.8% Christianity and 1.1% Buddhism.

"Passikudah National Holiday Resort"

Prior to 1983, Passikudah had been a popular tourist attraction. At that time, the region offered three hotels with a total of 171 rooms. After the outbreak of war in 1983, tourism completely collapsed in the region. The “Passikudah Resort” is the government’s attempt to revive tourism in the region. The 60 hectares shall, according to official sources, accommodate 500 new hotel rooms. Newspapers and travel agencies predict as many as 1000 new hotel rooms. According to the Sri Lankan weekly newspaper Sunday Observer, major investments in infrastructure are required to cope with future streams of tourists. Hence, Batticaloa airport will be expanded and the railway infrastructure improved. Further plans include a “shopping bazaar”, an art gallery, an aquarium, an open air theatre, a bike path and a golf link.

The “Sunday Observer” reported that an environmental impact assessment had been conducted, the results of which were open to the public for a period of one month at the Divisional Secretariat Office. Our on-site research revealed, however, that the local population had never been informed of the results.

**Existing hotels**

In December 2014, international bookings were possible for the following hotels in Passikudah:

<table>
<thead>
<tr>
<th>Maalu Maalu Resort &amp; Spa a</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opening:</strong> 2011 b</td>
</tr>
</tbody>
</table>

**German travel agencies:** 5vorFlug, Arendt Reisen, B&R Reisen, billiger.de, DERPART, DERTOUR, Discount-Travel.com, Explorer Fernreisen, ferien.de, Flieg-ab-Basel, HOLIDAY LAND, ID Reisewelt, Inforeisen.de, ITS Reisen, Jahn Reisen, JT Touristik, Kozica Reisen, lastminute.com, Lidl Reisen, Linetreisen, Lotus Travel Service, L’TUR, MEIER’S WELTREISEN, Merican Reisen, Oscar Reisen, Raiffeisen-Tours-Kooperation, reisefieber-reisen, Reisegeier, reiselinie.de touristik, Schmetterling Reisen, Sommer Fernreisen, Sri Lanka Reisen, Studiosus, TAKE OFF REISEN, Thomas Cook, Ticket Shop, TravelScout24, tropo, TUI, weg.de

**Swiss travel agencies:** ATLANTIS REISEN, Big Blue Tours, DesTour, ebookers.ch, FTI Schweiz, Helvetic Tours, Idea Reisen, Lanka Reisen, Reisegeier Schweiz, Restplatzbörse Schweiz, srilanka-rundreise.ch, Stohler Tours, Tourisme Pour Tous, travelhouse, travellerlanka.ch, TUI Suisse, WTA-X Travel

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### Amiya Resort Passikudah

<table>
<thead>
<tr>
<th>Opening: 2013</th>
<th>Owner: Amaya Resorts &amp; Spa</th>
</tr>
</thead>
</table>

#### German travel agencies:
- 5vorFlug
- Arendt Reisen
- B&R Reisen
- billiger.de
- DERTOUR
- Discount-Travel.com
- Expedia.de
- Explorer Fernreisen
- ferien.de
- Flieg-ab-Basel
- HOLIDAY LAND
- Inforeisen.de
- ITS Reisen
- Jahn Reisen
- Kozica Reisen
- lastminute.com
- L’TUR
- MEIER’S WELTREISEN
- Merican Reisen
- Necker mann Reisen
- Oscar Reisen
- Raiffeisen-Tours-Kooperation
- Reisegeier
- reiselinie.de
- Schmetterling Reisen
- Sri Lanka Reisen
- Thomas Cook
- Ticket Shop
- TravelScout24
- Tropo
- TUI
- weg.de

#### Swiss travel agencies:
- ATLANTIS REISEN
- Big Blue Tours
- DesTour
- ebookers.ch
- FTI Schweiz
- Helvetic Tours
- Idea Reisen
- Kuoni
- Neckermann Reisen Schweiz
- Reisegeier Schweiz
- Restplatzbörse Schweiz
- Tourasia
- TUI Suisse
- WTA-X Travel

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### Amethyst Resort Passikudah

<table>
<thead>
<tr>
<th>Opening: 2012</th>
<th>Owner: Aitken Spence Hotel Management (Pvt) Ltd</th>
</tr>
</thead>
</table>

#### German travel agencies:
- 5vorFlug
- Arendt Reisen
- B&R Reisen
- billiger.de
- DERTOUR
- Discount-Travel.com
- ferien.de
- Flieg-ab-Basel
- HOLIDAY LAND
- Inforeisen.de
- ITS Reisen
- JT Touristik
- Kozica Reisen
- lastminute.com
- Lis Reisen
- Marco Polo Reisen
- MEIER’S WELTREISEN
- Merican Reisen
- Oscar Reisen
- reisefieber-reisen
- Reisegeier
- reiselinie.de
- Schmetterling Reisen
- Sri Lanka Reisen
- Studiosus
- Thomas Cook
- Ticket Shop
- TravelScout24
- Tropo
- weg.de

#### Swiss travel agencies:
- ebookers.ch
- FTI Schweiz
- gutereise.ch
- Helvetic Tours
- Reisegeier Schweiz
- Restplatzbörse Schweiz
- WORLD INSIGHT Erlebnisreisen

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### Uga Bay Resort

**Opening:** 2012  
**Owner:** Uga Escapes Pvt Ltd

**German travel agencies:** 5vorFlug, Arendt Reisen, B&R Reisen, billiger.de, DERPART, DERTOUR, Discount-Travel.com, Expedia.de, Explorer Fernreisen, ferien.de, Flieg-ab-Basel, Flyloco, FTI, HOLIDAY LAND, ID Reisewelt, Inforeisen.de, ITS Reisen, Jahn Reisen, JT Touristik, Kozica Reisen, lastminute.com, Lidl Reisen, L'TUR, MEIER'S WELTREISEN, Merican Reisen, Neckermann Reisen, Oscar Reisen, Raiffeisen-Tours-Kooperation, Reisegeier, reiselinie.de touristik, Schmetterling Reisen, Sri Lanka Reisen, Thomas Cook, Ticket Shop, TravelScout24, tropo, TUI, weg.de

**Swiss travel agencies:** Big Blue Tours, ebookers.ch, FTI Schweiz, Helvetic Tours, Kuoni, Lanka Reisen, L'TUR Schweiz, Neckermann Reisen Schweiz, Reisegeier Schweiz, Restplatzbörse Schweiz, Tourasia, Tourisme Pour Tous, travelhouse

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### Anilana Pasikuda

**Opening:** 2013  
**Owner:** Anilana Hotels & Properties Limited

**German travel agencies:** 5vorFlug, Arendt Reisen, B&R Reisen, billiger.de, DERPART, Discount-Travel.com, ferien.de, Flieg-ab-Basel, HOLIDAY LAND, ID Reisewelt, Inforeisen.de, ITS Reisen, Jahn Reisen, JT Touristik, Kozica Reisen, lastminute.com, Lidl Reisen, Merican Reisen, Neckermann Reisen, Oscar Reisen, Reisegeier, reiselinie.de touristik, Schmetterling Reisen, Sri Lanka Reisen, Thomas Cook, Ticket Shop, TravelScout24, tropo, weg.de

**Swiss travel agencies:** Big Blue Tours, FTI Schweiz, Helvetic Tours, Lanka Reisen, Neckermann Reisen Schweiz, Reisegeier Schweiz, Restplatzbörse Schweiz

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**l Cf.** [http://www.sundayobserver.lk/2012/10/14/fin06.asp](http://www.sundayobserver.lk/2012/10/14/fin06.asp) (5.11.2014).  

**o Cf.** [http://www.anilana.com/index.html#about](http://www.anilana.com/index.html#about) (3.3.2014).  
### Sun Aqua Pasikudah

<table>
<thead>
<tr>
<th>Opening: 2014</th>
<th>Owner: Sun Siyam Resorts</th>
</tr>
</thead>
</table>

**German travel agencies:** 5vorFlug, B&R Reisen, billiger.de, DERPART, DERTOUR, Discount-Travel.com, ferien.de, Flieg-ab-Basel, HOLIDAY LAND, Inforeisen.de, JT Touristik, Kozica Reisen, Lidl Reisen, Merican Reisen, Neckermann Reisen, Oscar Reisen, reiselinie.de touristik, Schmetterling Reisen, Sri Lanka Reisen, Thomas Cook, TravelScout24, tropo, weg.de

**Swiss travel agencies:** FTI Schweiz, Reisegeier Schweiz, Restplatzbörse Schweiz, WTA-X Travel

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**Notes:**
5.3.3. KUCHCHAVELI

Kuchchaveli is a small fishing village located about 40 km north of Trincomalee on the east coast of Sri Lanka. The proximity to Trincomalee and Nilaveli beach with their many tourist attractions makes Kuchchaveli an ideal tourist location. Thus, the government declared an 8 km-long stretch of beach close to Kuchchaveli as one of the most important tourism zones. Kuchchaveli belongs to the Trincomalee district. Prior to its identification as a tourism zone, no tourist accommodation existed in Kuchchaveli.

In 2012, almost 380,000 people lived in the Trincomalee district, 33,100 of them in the Kuchchaveli region. This district is also ethnically and religiously heterogenic, albeit very balanced. In 2012, 40.4% of the population considered themselves Muslim, 30.6% Tamil and 27% Sinhalese; 42.1% of them professed Islam, 26.1% Buddhism, 25.9% Hinduism, and 5.8% Christianity.

Kuchchaveli Tourism Development Zone

The SLTDA is massively advancing tourism in Kuchchaveli. About 500 acres of land have been released for tourism investment, which, consistent with our research, have been subdivided into plots of 20 acres. According to SLTDA information, the infrastructure on the beach of Kuchchaveli will be developed to the extent that the tourism zone becomes a self-contained village. Moreover, a wide range of facilities for land- and water-based sports are planned. In 2010, an article in the “Sunday Observer” stated that an environmental impact assessment was scheduled prior to the start of

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construction in Kuchchaveli. Yet, according to our field research, it is not clear if this was ever carried out.

While there is plentiful investment in Passikudah and Kalpitiya hotels, it seems to be proving more difficult to find investors for Kuchchaveli. So far, only one hotel, the “Jungle Beach”, could be opened there. The Sri Lankan weekly newspaper “Sunday Times” attempted to explain the absence of investors with the changed conditions for land leases set out by the SLTDA. Instead of EUR 328 per acre of land for a 30-year lease, the government suddenly demanded EUR 131,000 for 8 acres for a 99-year lease. In 2011 interested investors, some of whom had already invested EUR 65,500 into buildings, merged into the “Kuchchaveli Investors Association” (KIA) to fight this arbitrariness. Prior to the “Commonwealth Head of Government Meeting” (CHOGM) in 2013, the price for leasing land was increased again. Now the government is demanding USD 5 million per 10 acres of land. This is an increase of over 200%. On the occasion of the Commonwealth Business Forum in November 2013, the SLTDA tried once again to attract potential investors for the Kuchchaveli tourism zone. In accordance with SLTDA plans, 40 beach resorts were to be developed on 510 acres of land. The land can be leased for a longer period of time. However, this attempt failed, probably not least due to the massive price increases.

Existing hotels
In late December 2014, the Jungle Beach could be booked internationally in Kuchchaveli.

Jungle Beach

<table>
<thead>
<tr>
<th>Opening: 2012</th>
<th>Owner: Uga Escapes Pvt Ltd</th>
</tr>
</thead>
</table>

**German travel agencies:** 5vorFlug, Arendt Reisen, B&R Reisen, billiger.de, DERPART, DERTOUR, Discount-Travel.com, Expedia.de, ferien.de, Flieg-ab-Basel, Flyloco, FTI, Geoplan Touristik, HOLIDAY LAND, Infereisen.de, ITS Reisen, Jahn Reisen, Kozica Reisen, lastminute.com, Lidl Reisen, L'TUR, Merican Reisen, Neckermann Reisen, Oscar Reisen, Raiffeisen-Tours-Kooperation, reisefieber-reisen, Reisegeier, reiselinie.de touristik, Schmetterling Reisen, Sri Lanka Reisen, Thomas Cook, Ticket Shop, TravelScout24, tropo, TUI, weg.de

**Swiss travel agencies:** Big Blue Tours, ebookers.ch, FTI Schweiz, Helvetic Tours, Kuoni, Lanka Reisen, L'TUR tourism, Manta Reisen, Neckermann Reisen Schweiz, Reisegeier Schweiz, Restplatzbörse Schweiz, srilanka-rundreise.ch, tourasia, Tourisme Pour Tous, travelhouse, travelsrilanka.ch, WTA-X Travel

Planned hotels
A new hotel project is currently being developed in the Kuchchaveli tourism zone. Talking on site to construction workers, our local research team found out that they were inmates of the local prison.
6> Areas of conflict
6.1. INVOLVING THE LOCAL POPULATION

6.1.1. NATIONAL CONTEXT
Consultation with the local population prior to carrying out a project presents numerous challenges. For fear of possible reprisals, few people have the courage to criticise the projects openly. Investors and locals often do not speak the same language. The difficult situation between the Tamil, Muslim and Christian minorities and their experiences during the civil war makes it difficult for outsiders to establish contact with the locals. All in all, this is likely the reason why the local population is often only informed about projects when they have already been approved by the SLTDA. This may cause conflicts.

Freedom of speech, association and assembly
Officially no censorship exists in Sri Lanka and freedom of speech, freedom of association as well as freedom of assembly are guaranteed by the constitution. Yet cases have been documented in which government critics have been targeted in smear campaigns and threats. According to the “Committee to Protect Journalists” at least 19 journalists have been killed since 2002. To this day their cases remain unsolved. Likewise, the repeated brutality in suppressing the protests of students and fishermen prove that the above-mentioned freedoms are not granted in a satisfactory manner and that the state is incapable of protecting its citizens against physical attacks and violence.

Corruption
According to the Corruption Perceptions Index by “Transparency International” (TI), Sri Lanka is in 85th position out of 175 countries. TI point out that corruption is widespread in the public sector and the authorities are unable to reduce the risk of corruption in a sustainable manner.

No transparency in the tourism sector

The tourism sector is marked by a lack of transparency. Thus, for instance, the former minister for economic development, Basil Rajapaksa, a brother of the ex-president, leased the islands of Vellai and Ippanthivu without the awareness of parliament. In much the same vein, hoteliers insinuated that the arrival statistics of tourists in Sri Lanka have been misrepresented by the SLTDA. They claimed the occupancy rate in the individual hotels was too low to justify these figures. The same lack of transparency applies to the information policy – or lack thereof. Thus, the inhabitants of the village of Panama, for instance, had not been informed about a tourism project on their land. The 350 affected families found out later that the SLTDA had developed a tourism project in this region under the patronage of the World Bank. Their land had been grabbed by the navy under the pretence of building a military camp. The former inhabitants learned from photos published by NGOs that a navy-run hotel had been built on the appropriated land. Likewise, misinformation was spread on the Jaffna peninsula: the population was initially told that the armed forces confiscated land to build a military base. Eventually, the “Thalsevana Holiday Resort” run by the armed forces was established on part of the appropriated land.

170 Panama is a small coastal village in the immediate neighbourhood of Arugam Bay in the south east of Sri Lanka.
6.1.2. RESEARCH RESULTS

CONSULTATION

**Human rights affected:**
right to information; right to participation; right to freedom of speech; right to self-determination

**Research results:**
Consultation and inclusion of the local population by state or corporations were insufficient or did not occur at all. The population was given no information on the impacts of the hotel projects.

- At **Ippanthivu (Kalpitiya)** the Catholic Church has taken on a mediator role between investors and the local population. In an oral agreement, the Catholic Church and the investor (Qube Lanka) guaranteed that the inhabitants may remain on the island and will receive, in total, ten acres of land in exchange for the original land. The investor agreed to build houses, a new church and the required infrastructure. This oral agreement between the population and the investor, however, has not been honoured: the investor, aided by the Church, is now even asking the population to leave the island. On **Vellai Island**, a kitesurfing training centre has been built without consultation with the local fishermen. The fact that the centre blocks the fishermen’s access to the lagoon during the kite-surfing season triggered conflicts between the owner of the kitesurfing training centre\(^{175}\) and the local fishermen.

- In **Passikudah**, the fishermen were not informed about imminent tourism projects and that their moorings had to make way for the hotel complex. They have announced that they will put up resistance.

- In **Kuchchaveli**, the local population was not consulted and only insufficiently informed about the “Kuchchaveli Tourism Development Zone”. A prohibition sign alerted them to the imminent tourism projects and prohibited them to trespass. In September 2014, the regional fisheries inspector

\(^{175}\) Name known to the STP.
informed the fishermen that beach seines\textsuperscript{176} were no longer allowed in 17 places. Upon inquiry of the fishermen, the commanding officer of the navy base declared that the government needed the land for tourism development projects and fishing was no longer permitted in this area.

\begin{center}
\textbf{GRIEVANCE MECHANISMS}
\end{center}

\begin{center}
\textbf{Human rights affected:}
right to access to remedy; right to freedom of speech and assembly
\end{center}

\begin{center}
\textbf{Research results:}
The local population has no possibility to lodge a complaint with corporations or non-judicial institutions. Complaints can only be filed through legal means.
\end{center}

- In \textit{Kalpitiya}, a female Muslim landowner complained to the owner of the “Dutch Bay Resort” that he had begun construction work on her land. He ignored her complaint, stating that he bought the land from someone else. She took the case to court, which eventually recognised her right of ownership.\textsuperscript{177}

- In \textit{Passikudah}, two landowners filed charges against a land grab involving the army. The latter plans to use the land for tourism projects.\textsuperscript{178}

- In \textit{Kuchchaveli}, the “Young Men’s Hindu Association” (YMHA) has filed a complaint against the appropriation of land by the navy. Following an announcement by the minister of fisheries, local fishermen asked the navy if they could nonetheless continue to fish with beach seines. Their request was denied.

\textsuperscript{176} A beach seine is a seine net operated from the shore. In the process, schools of fish are caught with the seine. A large number of people are required for towing the seine to the shore. (See: http://www.fao.org/fishery/geartype/202/en (21.11.2014).)


PHYSICAL VIOLENCE AND SECURITY OF PEOPLE

**Human rights affected:**
right to security of person; right to freedom of speech and assembly

**Research results:**
Private security guards were expelled and fishermen intimidated.

- In **Passikudah**, soldiers chased away a guard employed by the landowners to watch their land. A police investigation has been initiated. 179

- In **Kuchchaveli**, the commanding officer of the nearby navy base threatened to burn the fishermen’s tackle should they not leave the area.

### 6.2. IMPACT ON THE LOCAL POPULATION

#### 6.2.1. NATIONAL CONTEXT

With a value of 0.715 in the “Human Development Index” (HDI), Sri Lanka ranks at position 92 out of 187 countries reviewed. Thus, according to the HDI, Sri Lanka was ranked in the “high human development” category and did better than most South Asian countries. 180 Notwithstanding that the Sri Lankan rural population suffers from a high poverty headcount ratio and poor health-care. According to the World Bank, in 2013, the poverty headcount ratio at national poverty lines reached 6.7% compared to 15.2% in 2007. 181 There is a great (social) divide between the urban and rural regions. In 2010, 84.7% of all people affected by poverty were living in rural areas. 182 Though national health care is free, it is often of insufficient quality due to the permanent work overload of physicians in the national health care system. Then there is the fact that most health institutions are clustered in the Colombo region. In rural areas, however, it is much more

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difficult to find specialised health care professionals. According to the World Bank, 82% of the Sri Lankan population live in the countryside.

**Fisheries**

Almost 1.3 million people in Sri Lanka earn their livelihoods from fishing. Free access to the sea is therefore of vital importance. Tourism developments however, make this difficult for them – or even prevent it. Fishing is a family business and requires direct access to the sea. When the boats moor close to the villages, it allows the women to go and help their husbands to get the fish out of the nets and sell them to intermediaries. Furthermore, it enables them to produce salted and dried fish. If the mooring areas are difficult to reach, however, women are excluded from the fishery production. This may cause a significant loss of income from fish sales, thus putting the livelihoods of entire families at stake.

**Participation of the local population in the tourism sector**

Tourism in Sri Lanka holds great potential to generate new jobs and reduce poverty. State support of tourism in Sri Lanka is completely committed to this strategy and revenues from tourism are supposed to primarily benefit the population. Creating jobs in tourism should ensure a livelihood for the population. The prerequisite for this, however, is to take the population into account as food producers and for fair conditions to be created.

### 6.2.2. RESEARCH RESULTS

#### LIVELIHOOD

**Human rights affected:**
- right to adequate standard of living;
- right to freedom of movement;
- right to life, liberty and security of person

**Research results:**
Due to tourism projects and the difficulties involved in accessing the sea, many fishermen face an increased risk of losing their livelihoods. In some cases this has already happened.

- In **Kalpitiya**, a number of fishermen were denied access to the sea and other lucrative fishing areas. During the construction of bungalows for the “Dutch Bay Resort” in **Mohotthuwarama**, four acres of mangroves were destroyed where previously women and children had caught prawns and shrimp. Moreover, a canal was built for the resort that now blocks the fishermen’s access to the lagoon. An area with a diameter of 100m has also been confiscated and fenced off in the water on behalf of the “Dutch Bay Resort”. The fishermen are not allowed to trespass into this area, which used to be the part of the lagoon where about 50 fishermen made their living. Two fixed beach seine sites have also been removed. 57 people who used to work with these seine nets were forced to look for work elsewhere. On **Vellai Island**, local fishermen are badly affected by kitesurfing tourism, given that during the kitesurfing season access to the lagoon is blocked. Due to hotel construction on **Ippanthivu**, shrimp farming will no longer be conducted in the best fishing area of the region (Seenakali). As a result, the local population will lose an important source of income.

- In **Passikudah**, the locals have lost almost all access to the sea. They are now forced to walk up to 5km to reach the only available mooring. Over 300 fishermen have been forced to share an increasingly small section of the 5km-long, 14 hectare section of beach. They are now restricted to a 300m-long section that is overcrowded with fishermen.
• In Kuchchaveli, beach seines have been prohibited in 17 places. As a result, 900 predominantly Muslim fishermen have lost their livelihoods and the livelihood of the boat fishermen is also under threat. Nine access points to the sea have been blocked by tourism projects. Now, some of the boat fishermen have to walk 3km to reach the sea.

PUBLIC INFRASTRUCTURE

Human rights affected:
right to an adequate standard of living; right to education; right to freedom of movement; right to life, liberty and security of person

Research results:
Despite government promises to the contrary, the local population benefits only slightly from the improved infrastructure. Tourism has an enormous impact on the daily life of the people.

• In Passikudah, a fishery centre had to make way for hotels. Hence, the fishermen not only lost the storage facilities for their nets and equipment, but also for the refrigeration of their catch, thus forcing them to sell it at lower prices.

• In Kuchchaveli, playgrounds, civic centres, wells close to the sea and a Hindu temple have been occupied for tourism projects.

• The passage to the Catholic Church at Mohotthuwarama Island (Kalpitiya), which has been used by locals for decades, has been blocked to the public since the construction of the “Dutch Bay Resort”. The church can only be reached now by a treacherous route. On Ippanthivu Island, investor Qube Lanka agreed to establish the required infrastructure for the local population. Yet, despite an oral agreement between Qube Lanka and the Catholic Church of Ippanthivu, so far there has been neither an improvement of the water supply nor provision of the necessary sanitary facilities, nor has a primary school been constructed. The children attend school on the neighbouring island of Uchchimunai, where the affected families must also provide their own water supply.
PARTICIPATION OF LOCAL POPULATION IN THE TOURISM SECTOR

**Human rights affected:**
right to participation; right to work

**Research results:**
There are only limited possibilities for the local population to participate in the tourism business. New jobs opened during the hotel construction phase, but afterwards it proved difficult for the local population to earn a living in the tourism sector.

- In **Kalpitiya**, the local population had the opportunity to participate in the construction work of the “Dutch Bay Resort” and make a living from that. Yet, information gathered through our research indicates that some of the work has not been paid for. Allegedly, only a few locals are currently working at the resort.

- The local population in **Passikudah** was offered work on the building site during construction of the hotel and some villagers accepted a job. Once the work was completed, however, the hotels no longer offered them employment. The income opportunities for the local population in Passikudah are even further limited due to the armed forces running a small shop close to the hotels.

- Our enquiries indicate that the majority of the employees at the “Jungle Beach Resort” in **Kuchchaveli** are originally from Hill Country. Only a few locals earn their living in the resort.

- In all three of the hotels reviewed, the fish is purchased through intermediaries. Local fishermen are rarely taken into account.

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187 Neil de Silva, owner of the “Dutch Bay Resort”, has allegedly not respected contracts and failed to make payments. One supplier (name known to the STP) received a cheque for over EUR 22,300 that bounced. Likewise, the accounts of the building contractor (name known to the STP) have not been settled. The resort does not appear to generate any income.

188 “Hill Country” is a mountainous inland region located between the cities of Kandy, Nuwara Eliya and Badulla.
HEALTH AND SECURITY OF THE POPULATION

Human rights affected:
right to health

Research results:
Tourism may have a negative effect on the water supply.

- In Kalpitiya, the local population suffers from water shortages due to the high water consumption in the hotels. The shortage affects both drinking water and water for everyday use.

6.3. LAND GRABBING

6.3.1. NATIONAL CONTEXT
The government has appropriated land for national security, urban development and tourism projects.

Land rights
The government is entitled to appropriate private land and dispossess the original owners for reasons of overriding public interest. In order to obtain this, however, the owner must be informed in advance in the three official languages (Sinhalese, Tamil, English). The objection period is at least 14 days following the announcement. If an objection is raised, a public announcement is made. Land appropriation for tourism purposes is legal in Sri Lanka. However, the same conditions apply as in the case of land appropriations for the purposes of overriding public interest. Foreign citizens and corporations are not allowed to own land in Sri Lanka, but they are allowed to lease it.

Land conflicts

In the aftermath of the tsunami
Following the 2004 tsunami, the government established buffer zones in the coastal areas. The people who had lived on this land, sometimes for generations, were forced to leave these buffer zones.\textsuperscript{192} This is especially problematic for the fishermen and coastal residents who depend on their proximity to the coast.\textsuperscript{193} While the original coastal residents were forced to relocate, the construction of hotels and tourist resorts in the buffer zones was approved.\textsuperscript{194}

In the northern province
In the north of Sri Lanka, the armed forces grabbed large stretches of land during the war. When the landowners tried to return, the army continued to occupy it. In return, the landowners were supposed to receive compensation. Thousands of Tamils have filed complaints to reclaim their property.\textsuperscript{195}

In the cities
The modernisation of cities is also marked by land conflicts, as revealed in a study by the “Centre for Policy Alternatives” (CPA). At least 70,000 families are scheduled for relocation in Colombo. In the majority of cases, this kind of resettlement process is marked by a lack of information and public consultation. The armed forces conduct these resettlements. In May 2010, despite the resistance of the inhabitants, soldiers destroyed 20 houses on Slave Island, Colombo.\textsuperscript{196} The same happened in September 2014 in Borella, Colombo where houses were demolished despite the protests of residents and without following the legal process. The matter will now be settled in court.\textsuperscript{197}

\textsuperscript{192} Cf. http://www.abc.net.au/am/content/2006/s1560405.htm (11.06.2014).
### 6.3.2. RESEARCH RESULTS

#### CONSULTATION PRIOR TO APPROPRIATION OF LAND

**Human rights affected:**
- right to information

**Research results:**
Investors, the SLTDA or the armed forces did not sufficiently inform the population about impending land appropriations – if at all.

- On **Mohotthuwarama (Kalpitiya)**, one resident suddenly noticed that construction work for a hotel had started on her land without her being informed.\(^{198}\) On the same island, bungalows for the luxury resort were built on the property of another resident\(^{199}\) without his being informed. Fishermen and their families who lived during the fishing season on the Vellai Island and had used the land for generations were asked to leave the islands without any prior consultation. On **Ippanthivu**, an oral agreement regarding land use rights was broken and all residents were forced to leave the island without consultation.

- In **Kuchchaveli**, residents were not consulted prior to the land grabbing. Due to a lack of official documentation, they had no means to resist.

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\(^{199}\) Name is known to STP.
PROCESS OF LAND GRABBING

Human rights affected:
right to not being arbitrarily deprived of one’s property; right to adequate standard of living; right to freedom of speech

Research results:
The process of appropriating land often takes place without the participation of the local residents.

• In Kuchchaveli, 300 people (above all farmers and fishermen) were forced out of the tourism zone. In 2010, they were verbally ordered to leave their land by the navy. In June 2012, a petition was submitted to the divisional secretary demanding the return of the land. In answer to the petition, it was stated that the building, which had accommodated their land titles, had been destroyed in a fire and hence no official proof regarding the property situation existed. The navy also confiscated land belonging to the YMHA. Subsequently, the YMHA has taken legal measures.

• As mentioned above, in Kalpitiya, a case of land grabbing concerning the property of a Muslim resident of Mohotthuwarama Island was decided in court.200 Although the right of ownership was recognised in court, the owner was still obliged to sell her land to “Dutch Bay Resort” owner Neil de Silva, given that it was fenced in by the resort and cut off from the rest of its surroundings. Another landowner201 who took legal measures against land grabs by the “Dutch Bay Resort” was also successful in court. But since the resort had already built bungalows on his property, negotiations between him and the “Dutch Bay Resort” are still ongoing. Another 40 acres of land were illegally purchased on Mohotthuwarama.202

200 Seinulabdeen Saleema noticed that construction workers of the “Dutch Bay Resort” (DBR) had entered her property. When she alerted DBR chairman Neil de Silva to this, he told her that he had purchased the land from another party. Hence Saleema went to court and filed charges against the hotel project. After seven months of hearings the court recognised her right of ownership. Given that the resort had already been completed by then, the parties agreed to compensation of EUR 32,800. (See: http://www.asianews.it/news-en/Kalpitiya:-Muslim-woman-defeats-mega-tourism-project-over-land-expropriation-23734.html (5.2.2014).)
201 Name known to the STP.
202 40 acres: 5 acres belong to the Mohotthuwarama church (St. Anthony’s Church); 8.5 acres are privately owned (the land titles were handed over to a businessman, whose son resold it); 8.5 acres are the property of another individual (who has, however, no deed of ownership); the owners of the remaining 17 acres of land could not be identified.
On Vellai, 60 people live in 12 houses during the fishing season. All of them have been requested to leave the island by the investors. The 40 families living permanently on Ippanthivu together with 100 seasonal residents have been requested to leave the island.

• In Passikudah, the land belonging to two Swiss citizens has been sold without their knowledge and consent to a tourism corporation. Judicial proceedings are underway.203

6.4. LABOUR CONDITIONS AND ETHNICITY

6.4.1. NATIONAL CONTEXT

The official unemployment rate in Sri Lanka is 4.4%, affecting in particular young people between 15 and 24 years (19.1%). The unemployment rate for women in the north and east of Sri Lanka is also high (over 10%).204 Sri Lanka has a statutory national minimum wage, which ranges in the service sector between EUR 43 and EUR 62 per month depending on the level of training.205 Overtime must be paid at one and a half times the normal hourly rate.206 In 1998, Sri Lanka ratified the ILO C111 Discrimination Convention, which defines discrimination in respect of employment and occupation.207 Nonetheless, allegations have been made that companies from the south of the country carry out construction projects in predominantly Tamil areas with mainly Sinhalese employees.208

203 In the summer of 2013, the Sunday Times reported on land grabbing in Passikudah. Two Swiss nationals own 13 acres of land in Passikudah worth EUR 1.1 million. The notarised documents are available. Allegedly, the land has been sold by a third party to Citrus Leisure PLC. The case now is a matter for the courts and is also being investigated by the Criminal Investigation Department (CID). The guard employed by the Swiss nationals had been ousted by soldiers. The local police had been pressured not to investigate this matter. The Swiss Embassy is observing the case, while Citrus Leisure PLC has suspended the hotel project. (Cf. http://www.sundaytimes.lk/130728/business-times/cid-probes-passikudah-land-grab-from-swiss-nationals-54009.html (1.3.2014).)


6.4.2. RESEARCH RESULTS

WORKING CONDITIONS

Human rights affected:
right to just and favourable conditions of work; right to adequate standard of living; right to association

Research results:
We have received information that some employees are not satisfied with the working conditions.

• 10 women who are doing sanitary work at the "Jungle Beach Resort" do not receive any social benefits.

• At the “Maala Maalu Resort” employees stated that they were dissatisfied with their salaries, but since they are not unionised, it is difficult to approach this issue with the management.

EQUAL AND FAIR PROTECTION OF THE LAW WITHOUT ANY DISCRIMINATION

Human rights affected:
right to non-discrimination; right to just and favourable conditions of work

Research results:
Under the existing circumstances, it was very difficult for the research team to acquire detailed information on discriminatory employment conditions for minorities. According to our research, there was, at the time, no concrete evidence that minorities were discriminated against in the hotels we reviewed.
Conclusion
Based on the facts and our research results in the tourism zones of Kalpitiya, Kuchchaveli and Passikudah, we conclude the following:

• In dealing with the local population, the Sri Lanka Tourism Development Authority (SLTDA) did not abide by their own minimal development standards in the cases that were examined. Environmental and social impact assessments are only conducted sporadically. Depending on the region, there is little or no transparency regarding their results.

• The local population is not consulted by the SLTDA and investors on imminent tourism projects and is only informed insufficiently of the effects. No consultation procedure exists that involves the local population and allows their participation.

• Despite the fact that the ministry responsible explicitly prohibited permanent building projects in coastal zones, this ban is ignored by the SLTDA and investors.

• Freedom of movement was denied to local communities in all three places. Fishing opportunities are significantly restricted or prohibited.

• Tourism provides only a very limited income for the local population. The majority of hotel employees originate from other, often far away regions of Sri Lanka. Fish for the hotel restaurants is purchased through intermediaries, and local fishermen are hardly ever taken into account.

• Despite promises made by the government to the contrary, the local population only benefits to a small degree from the improved infrastructure. Worse still – tourism impacts the everyday life of residents enormously: Public facilities have had to give way to tourism projects. In Kalpitiya, the water consumption in hotels and resorts diminishes the water supply of the population.

• In all of the three regions investigated, the SLTDA, the armed forces and/or investors unlawfully grabbed land or displaced the original residents to make way for tourism development.
• In some cases, guarantees of compensation were not honoured. Compensation payments are often contended in court. Non-judicial grievance mechanisms do not exist at all.

• The meaningful role of women and their engagement in employment opportunities are completely neglected and marginalised by the tourism development process.
Demands
Due to the human rights violations indicated above, we believe that urgent action is needed. Our demands are addressed to the government of Sri Lanka as well as to the governments of Switzerland, Germany and the European Union, but also to travel agencies, hotels and investors.

TO THE SRI LANKAN GOVERNMENT & TOURISM AUTHORITIES:
abide by the law and protect the population against human rights abuses

• The tourism strategy plan should be revised by the Sri Lankan government and allow coastal and rural communities to ensure their livelihoods and land. The Sri Lankan government and tourism authorities must abide by their own laws and norms, and protect the population against human rights violations. In tourism areas, it must conduct environmental and social impact assessments and consult the local population on tourism projects. The criteria involved must be transparent, relevant and accessible to the public. Moreover, the process should be accompanied by a human rights risk analysis and impact assessment.

• The Sri Lankan government and tourism authorities must guarantee that, prior to the planning and construction of hotels and tourist infrastructures, the local population is consulted and has given its approval. A (binding) agreement must be negotiated with the affected parties concerning mutual obligations.

• Access to the sea must remain guaranteed for the local population and not restricted by tourism projects.

• Educational opportunities for the local population in tourism areas must be improved.

• The economic opportunities for the local population must not be restricted by the commercial activities of the armed forces.

• The government and tourism authorities must provide independent, judicial, as well as non-judicial, grievance mechanisms to allow the affected parties to take action against human rights violations in tourism. The authorities must be more accessible to the people affected and the process should be brought to a conclusion more quickly.
• The government and tourism authorities should retrospectively compensate and reimburse people who have been affected.

**TO SWISS, GERMAN & EU AUTHORITIES:**

**enact due diligence and address human rights deficits in Sri Lanka**

• The respective legislator must enact legally-binding due diligence for transnational and internationally active corporations headquartered in Switzerland, Germany and the EU and provide the legal framework allowing affected parties to lodge complaints at the headquarters of the parent company.

• Switzerland, Germany and the EU must frequently address the adverse human rights situation in tourism, both in a bilateral and a multilateral exchange with Sri Lanka, and monitor the required improvements.

**TO SWISS & GERMAN TRAVEL AGENCIES DEALING WITH SRI LANKA:**

**observe and better monitor human rights due diligence**

• Travel agencies must respect human rights and monitor the human rights due diligence in their entire value-added chain on a regular basis, and ensure that no human rights are abused through their actions and those of their suppliers and service providers (incoming agencies, hotels and investments).

• Travel agencies, in turn, should introduce grievance mechanisms that can be used by the affected population. Human rights violations in tourism require concrete countermeasures and remedies for damages.

• Travel agencies should not offer hotels that are built on grabbed land, block access to the sea for local families and fishermen, discriminate against women and minorities or prohibit or restrict the unionisation of employees.

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210 See ibid.
• Travel agencies should not offer hotels or tourist attractions run by the armed forces as long as it cannot be proven that their ownership is not based on land grabbing or other human rights abuses.

• Travel agencies must increasingly resort to options that generate income for the local population.

TO HOTELS, INVESTORS, LOCAL TRAVEL AGENCIES & TOUR OPERATORS: involve and train the local population

• Hotels, investors, local travel agencies and tour operators must act with human rights due diligence in their entire value-added chain.

• Investors must make sure that, prior to the construction of hotels and infrastructure, the local population is consulted on an equal footing, has given its approval and that a (binding) agreement has been negotiated with the affected parties concerning mutual obligations.

• Hotels, investors, local travel agencies and tour operators must ensure fair working conditions during the construction of the hotels and infrastructure, as well as during their subsequent operation of their businesses.

• Hotel managers must create and offer training opportunities for the local population.

• Hotels must not be built on grabbed land or locations restricting access to the sea for the local population.

• Hotels must introduce grievance mechanisms and compensate/provide remedy to the affected parties for any human rights violations committed.
Annex
# INDEX OF ABBREVIATIONS

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<td>AI</td>
<td>Amnesty International</td>
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<tr>
<td>CHOGM</td>
<td>Commonwealth Head of Government Meeting</td>
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<tr>
<td>CID</td>
<td>Criminal Investigation Department</td>
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<tr>
<td>CPA</td>
<td>Centre for Policy Alternatives</td>
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<td>EU</td>
<td>European Union</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>HDI</td>
<td>Human Development Index</td>
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<tr>
<td>HRW</td>
<td>Human Rights Watch</td>
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<tr>
<td>HSZ</td>
<td>High Security Zone</td>
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<tr>
<td>ICG</td>
<td>International Crisis Group</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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<td>KIA</td>
<td>Kuchchaveli Investors Association</td>
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<tr>
<td>KITRP</td>
<td>Kalpitiya Integrated Tourism Resort Project</td>
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<tr>
<td>LTTE</td>
<td>Liberation Tigers of Tamil Eelam</td>
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<td>MOD</td>
<td>Ministry of Defence</td>
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<td>NAFSO</td>
<td>National Fisheries Solidarity Movement</td>
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<tr>
<td>NGO</td>
<td>Non-governmental Organization</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>SEZ</td>
<td>Special Economic Zone</td>
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<td>SLMC</td>
<td>Sri Lanka Muslim Congress</td>
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<td>SLTDA</td>
<td>Sri Lanka Tourism Development Authority</td>
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<td>STP</td>
<td>Society for Threatened Peoples</td>
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<td>TI</td>
<td>Transparency International</td>
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<tr>
<td>UNO</td>
<td>United Nations Organization</td>
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<tr>
<td>YMHA</td>
<td>Young Men Hindu Association</td>
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### SWISS TRAVEL AGENCIES WITH HOLIDAY DESTINATION SRI LANKA:
As it was in December 2014.

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**GERMAN TRAVEL AGENCIES WITH HOLIDAY DESTINATION SRI LANKA:**
As it was in December 2014.

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INSTITUTIONS AND LEGAL FOUNDATIONS FOR TOURISM IN SRI LANKA

- **Government of Sri Lanka (GoSL)**
The “Democratic Socialist Republic of Sri Lanka” is a free, independent and sovereign state. The governmental system is based upon a presidential system, which was established in 1978. The executive is led by the president and the heads of the various ministries. The legislature consists of the parliament with its 225 members. The president is head of state as well as head of the executive branch, and commander-in-chief of the armed forces.

- **Ministry of Economic Development (MED)**
The Ministry of Economic Development consists of various branches, including regional and rural development, poverty eradication and development of the tourism industry. The new Sri Lankan government dissolved this ministry and established the Ministry of Tourism and Sport.

- **Tourism Act, No. 38 of 2005**
The “Tourism Act, No. 38 of 2005” is a law that introduced a new institution into tourism: the Sri Lanka Tourism Development Authority (SLTDA). The Sri Lankan Institute of Tourism and Hotel Management, Sri Lanka Tourism Promotion Bureau as well as “the Sri Lanka Convention Bureau” also emerged through this act. The act came into effect in October 2007, and in the process the “Sri Lanka Tourism Development Authority” replaced the former Sri Lanka Tourism Board.

- **Sri Lanka Tourism Development Authority (SLTDA)**
The mission of the SLTDA is to develop Sri Lanka as a destination for international and domestic tourists. It advises ministers on tourism issues and provides support to the other, newly created tourism authorities. Another responsibility is to strengthen the tourism sector so as to contribute to

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the economic development of Sri Lanka. Additional tasks of the SLTDA are to develop and advance adequate, attractive as well as effective tourism services; the assignment and accreditation of tourism businesses; the implementation and maintenance of international and local standards. The population still often refers to the Tourism Board as the tourism institution.

• **Sri Lanka Institute of Tourism and Hotel Management (SLITHM)**
  The SLITHM is in charge of training women and men for the tourism industry. It should identify the tourism-related areas that require the training of staff and develop the corresponding curriculum. It also issues certificates and administers vocational centres.

• **Sri Lanka Tourism Promotion Bureau (SLTPB)**
  The SLTPB is in charge of marketing Sri Lanka as a tourism destination. It is to praise Sri Lanka as the “gateway to Southeast Asia”, and make Sri Lanka known as the region’s centre of excellence in tourism management and development. The SLTPB manages the Official Sri Lanka Tourism Website where all national tourism attractions are advertised.

• **Sri Lanka Convention Bureau (SLCB)**
  The SLCB advertises Sri Lanka as a venue for fairs, meetings and exhibitions and subsequently coordinates these events.

• **Board of Investment (BOI)**
  The BOI is the investment promotion agency of the Sri Lankan government. The main task of the BOI is to attract investments into the economy so as to bring in capital, generate employment and encourage the development of new skills. The BOI may offer tax incentives to investors, especially in the target sector tourism and for tourism-related projects.

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220 Cf. ibid.
WITH THE STP FOR HUMAN RIGHTS
The Society of Threatened Peoples (STP) is an international human rights organisation that supports minorities and indigenous peoples. It documents human rights abuses, informs and sensitises the public, and represents the interests of victims against authorities and decision makers. It supports local efforts to improve the human rights situation for minorities and indigenous peoples, and works together, both nationally and internationally, with organisations and people that are pursuing similar goals. The STP has advisory status both at the Economic and Social Council (ECOSOC) of the UN and at the Council of Europe.

WANT TO GET INVOLVED? PLEASE SUPPORT US!
Our engagement is only possible with your support. With your membership or donation, we support minorities and indigenous peoples throughout the world.

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Thank you very much!