

**Inaugural Speech by Suresh D. deMel - 3rd President
of the Association of Small and Medium Enterprises in Tourism (ASMET) Sri Lanka**

July 29, 2011

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Chairman, Sri Lanka Tourism, Dr. Nalaka Godahewa, Assistant Director, Sri Lanka Tourism, Ms. Madhubani Periera, Managing Director, Sri Lanka Tourism Promotion Bureau, Mr. Rummy Jauffer, Distinguished Invitees, Friends from the Media, Members of ASMET, and my Colleagues of the Executive Committee of ASMET.

I welcome you all to the Ceremonial Session of ASMET's 5th Annual General Meeting.

It is indeed an honor for me to address you this afternoon as the 3rd President of ASMET. 10 years ago, we were part of a "Core Group for Alternative Tourism" that was formed with the assistance of the Value Chain Promotion Component Project of GTZ. Subsequently, the seeds were sewn for an Association to represent the Small and Medium sector in Tourism in Sri Lanka. After much deliberation, ASMET was incorporated in 2006.

My background is in sports fishing (angling) tourism. I am the Founder Chairman of Asian Angling Adventures (Pvt) Ltd, which is a professional SME sports fishing operation around Sri Lanka. I am also the Founder and Managing Director of a pioneering SME export industry that produces fishing flies (artificial sports fishing bait). Since 1981, Lanka Fishing Flies (Pvt) Ltd has been hand crafting Umpqua[®] brand fishing flies, arguably the best quality hand-tied fishing flies in the world.

In 1990, in the immediate aftermath of a violent youth uprising in the area, Lanka Fishing Flies set up a factory in Tangalla, in the Hambantota District. Shortly afterwards, I was invited by Mr. Azmi Thassim, a local community leader, to meet with other business persons, primarily SME's, in the district, who were looking for a way to organize the district's business community and empower the youth in the area. Subsequently, the first District Level Chamber of Commerce in Sri Lanka was formalized, in Hambantota. Today, I am a proud Director of this model regional chamber in Sri Lanka which is doing an outstanding service for the district and inspiring the business community and the chamber movement throughout the whole country.

I Chaired the Tourism Development Committee of the Hambantota District Chamber of Commerce for several years. During this period we were able to brand the "Deepsouth" of Sri Lanka as a tourism destination. We also developed "the twelve things not to miss in Hambantota" initiative and the www.deepsouth.lk website. We also attracted resources thru Manchester Chamber of Commerce and Mercy Corps, for educational workshops and international study tours for our members. Furthermore, we organized familiarization tours of the district for the travel trade and participated at the Dayata Kirula Exhibitions. We also promoted the destination "Deepsouth Sri Lanka" at the "World Travel Market" in London on a couple of occasions.

Today there are many regional chambers representing SME's around the country. In 2002, I had the opportunity to be a Founder Member of the Business for Peace Alliance (BPA) which united 25 regional chambers from every province in Sri Lanka. Today I am its Immediate Past Chairman. During my tenure as Chairman of BPA, we organized the "BizPAct Invest in Sri Lanka Symposium" in Colombo and the "BizPAct Investment Forum" in Jaffna to encourage context sensitive investment in the regions of Sri Lanka and facilitate Joint Ventures with regional SME's. We also organized "Sri Lanka Unveiled – Importing Wealth", the largest ever gathering of International Fund Managers to Sri

Lanka, with a major event in Colombo with Sri Lanka's big business, and visits to Trincomalee and Hambantota for meetings with members of the respective regional chambers. BPA continues to network between the regions and hopes to work closely with ASMET for the empowerment of regional SME tourism.

During the past 5 years, with tremendous commitment on the part of our Past Presidents - Mr. Mervyn Fernandopulle and Mr. Siri De Silva, ASMET has grown slowly but surely to make its mark in support of the development of Sri Lanka Tourism in general and the SME sector in particular.

Tourism is an industry with vast potential to fast track post conflict socio-economic recovery in Sri Lanka. However, such recovery is only possible if the peace dividend is distributed equitably among all stake holders, especially the host communities. Empowering the SME sector in tourism is extremely crucial in this context. The Small and Medium Enterprises in Sri Lanka's tourism industry is mostly Rural and Community Based. They are by and large a vast informal sector. They lack the many skills and linkages that are necessary to derive the true benefits from a highly competitive industry like tourism. However, history has shown us that they will survive, and provide services to the tourist. These services most often, do not meet the standards of responsible tourism. In fact, some of them would be unethical, illegal and detrimental to the image of Sri Lanka's tourism at large.

The membership of ASMET is of course representative of the formal SME out of this lot. We believe that ASMET members operate intimately with the informal sector. Therefore, ASMET members have the best opportunity to inspire and empower this segment of our community, to regularize and formalize them, and to ensure good practices among them. However, the first priority for us would be to strengthen our own association, and to empower the formal SME - the members of ASMET, who are also lagging behind in capacity to provide good services.

Strengthening ASMET's institutional capacity is our Number One priority. We must have capacity to organize the sector, provide tangible services to our members, and be able to support a deep and wide membership. In order to do this, SME's must be recognized for what they are. Platforms must be created for dialog and strong bonds, trust and linkages with the Government and the larger private sector must be established. **We must develop an attitude and culture of inclusivity in the true form of the word.** And, most importantly, we must be able to attract the necessary resources for institutional capacity building.

The great voluntary contribution by our Past Presidents and the Executive Committees, have brought ASMET thus far. However, we have a long way to go. **We must be a "bottom up" organization, and proactive engagement and support of our membership is most vital at this time.**

We know that tourism is a thrust sector for Sri Lanka's socio-economic recovery. His Excellency Mahinda Rajapaksa has in no uncertain terms spelled out the need for SME development and regional empowerment thru his ambitious manifesto: the "Mahinda Chintanaya – Idiri Dakma". Therefore, I appeal to all stakeholders to unite and support ASMET to strengthen its institutional capacity. **Thereby ASMET will be able to help fast track the development of the SME sector in Tourism and ensure an equitable, sustainable and responsible tourist industry in Sri Lanka.**

I am excited to be leading ASMET at this crucial moment in time of Sri Lanka's tourism industry. **There is no doubt in my mind that, if we all pull together, we can do it! We CAN make Sri Lanka the wonder of Asia!**