

# Untapped potential?

THE MALDIVES AND SRI LANKA SHARE MANY SIMILARITIES BETWEEN THEM, INCLUDING THE EMERGENCE OF STEADY INDUSTRY GROWTH THANKS TO THEIR PROXIMITY TO THE SEA AND HEAVY RELIANCE ON MARINE-RELATED TOURISM. IBI EXPLORES BOTH MARKETS IN DETAIL

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## MALDIVES



- GDP growth: 3% (2016 est.)
- GDP growth forecast 2017: 4.1%
- GDP per capita: \$15,300 (2016 est.)
- Current inflation rate: 2.8% in March 2017, falling to 2.6% the following month
- Unemployment rate: 3.2% in 2016, down from a 10-year high of 11.7% in 2010
- Population: 393,000 (2016 est.)
- Area total: 298km<sup>2</sup> • Coastline: 644km



## SRI LANKA



- GDP growth: 4.5% (2016 est.)
- GDP growth forecast 2017: 5.0%
- GDP per capita: \$11,714 (2016 est.)
- Current inflation rate: Consumer prices increased 6% year-on-year in May 2017, following 6.9% gain in April
- Unemployment rate: 4.5% in 2016, down from 4.7% compared to 2015
- Population: 21.8 million (2016)
- Area total: 65,610km<sup>2</sup> • Coastline: 1,340km

▲ L: The Ceylon Motor Yacht Club on Bolgoda Lake, Sri Lanka. R: The Maldives. A local Dorni boat at sunset

As the world looks east for promises of growth and prosperity, the island nations of the Maldives and Sri Lanka show an emergence of steady growth through their shared common bonds of proximity to the sea and heavy reliance on tourism, much of it marine related. Links between both nations can be traced back to the 14th century when Ibn Battuta, the famed Muslim traveller of the 14th Century, visited both island nations on his epic travels from Morocco to China.

While the Maldives Islands are often described as jewels set in an emerald sea, Sri Lanka is known as the Pearl of the Indian Ocean. In economic terms their common bond is established through the need for supplies and manpower to run the 120 resort islands in the Maldives. These resources come from Sri Lanka, their closest mainland neighbour. Both countries also share the growing influence of China in both economic and business terms, as the world super-power moves to establish its influence across the Indian Ocean region,

from Africa in the west to Sri Lanka and the Maldives in the east.

## MALDIVES

The smallest Asian country comprising 1,190 coral islands with a maximum height above sea level of 1.8m, the Maldives is intimately connected with the water. There are 200 inhabited islands, including 110 tourism resort islands which are currently being expanded, with a total local population in the country of 393,000. The total land area of all the islands is just 298km<sup>2</sup> with 120,000 of the local population living on the crowded capital island of Malé, adjacent to the international airport of Velana on the island of Hulhulé.

A sultanate since the 12th century, the Maldives became a British protectorate in 1887 and a republic in 1968 under President Maumoon Abdul Gayoom, who dominated the islands' political scene for the first 30 years, elected to six successive terms by single-party referendums. Following political demonstrations ➡



▲ Leisure boats in Malé harbour in the Maldives

in the capital Malé in August 2003, Gayoom and his government pledged to embark upon a process of liberalisation and democratic reforms, including a more representative political system and expanded political freedoms. Political parties were legalised in 2005, resulting in the establishment in 2013 of President Abdulla Yameen. Politics still remain a volatile issue in the country for the majority Sunni Muslim population.

**ECONOMY**

The Maldives has quickly become a middle-income country, driven by the rapid growth of its tourism and fisheries sectors with GDP per head on a PPP basis of US\$15,300, but the country still contends with a large and growing fiscal deficit. Economic growth slowed to 2.8% in 2015 increasing to 3% in 2016, mainly through a decline in tourists from China and Russia. Despite lower growth, tourism-related tax receipts increased by 13% in 2015 because of higher tax rates. This increase in tax led to higher usable foreign exchange reserves that helped partially fund increases in construction-related imports.

In 2015, the Maldivian Parliament passed a constitutional amendment legalising foreign ownership of land. Foreign land-buyers must reclaim at least 70% of the desired land from the ocean and invest at least US\$1bn in a construction project approved by Parliament. China is a major investor in Malé, not only in new resorts, but in developing an expansion of the airport to increase flight capability – fundamental to growing the tourism industry.

Diversifying the economy beyond tourism

and fishing, reforming public finances, increasing employment opportunities, and combating corruption, cronyism, and a growing drug problem are near-term challenges facing the government. Over the longer term, Maldivian authorities worry about the impact of erosion and possible global warming on their low-lying country; 80% of the area being one metre or less above sea level.

**MARINE TOURISM**

Tourism is the major foreign exchange earner for the Maldives and is almost completely based on waterside or on-water activities. While the country is subject to two monsoon periods – February to April and June to August – rainfall is not as prolonged as in India, its northern neighbour. This ensures a year-round tourist season in the Maldives, although sea conditions can get quite rough, which occasionally limits the operation of the smaller outboard-powered passenger boats.

Transport of passengers and supplies to the majority of Maldivian islands is by water, with float planes also used for routes of more than one hour by boat. There is an extensive ferry network from the main international airport using mainly locally built boats, including the traditional Dorni designs, made from wood and fibreglass. There are also locally manufactured, mainly outboard-powered fibreglass boats, mostly from UAE-based AS Marine and Gulf Craft, both manufactured locally in the Maldives.

The demand for marine tourism is set to expand considerably as new resort islands near completion, with 10 new resorts due to open in the next three years. A key driver to the growth in marine tourism is the

**“Tourism is the major foreign exchange earner for the Maldives and is almost completely based on waterside or on-water activities”**

current expansion of Malé’s Velana International Airport, which is being expanded with the aid of Chinese investment with a new runway, taxiways and terminal to increase passenger capacity to a projected eight million per year by 2018.

Major hotel brands such as the Ritz-Carlton, Waldorf Astoria, InterContinental and Capella are all developing new resort islands due to open in the next two years. Such is the demand for new tourist destination islands that new islands are currently being reclaimed inside existing reef structures.

Combined with the increasing number of developments and increased airport capacity is a change in the length of time guests spend in the Maldives, a pattern that is being seen across the tourism industry worldwide. Hussain Thoufeeq Ali, managing director of Silver Sands Pvt, is one of the major watersports operators in the Maldives, with 90 boats that operate at 11 key brand resorts.

“The average length of stay for guests in the Maldives has changed from 10 days to four or five days’ duration, a shift that not only reflects in the ➔

## MARKET DASHBOARD AND SWOT ANALYSIS

### MARKET DASHBOARD

#### MALDIVES

**Total registered boats of all types:**  
18,000

**Total passenger and utility craft for marine tourism:**

Estimate 2,000

**Hotel beach boats, canoes, catamarans, dinghies and PWC for marine tourism:**

Estimate 2,000/3,000

**Total dedicated leisure boats:**

Estimate 100

**Import duty:**

25% (Leisure boats with one cabin may be exempt)

**Operational marinas:**

None

**Marinas under construction:** 1

**Marinas planned:** 2

**Resort Islands:** 110

**Resort Islands planned:** 10

**Boatbuilders:**

Three producing fibreglass and many wood Dorni traditional boatbuilders

### STRENGTHS/OPPORTUNITIES

#### STRENGTHS

- Growing marine tourism market with 10 new resorts to open in the next three years
- GDP is high at US\$15,300 per head for a developing country
- Year-round tourist season
- With the number of boats and high utilisation, an interesting market for engine and equipment suppliers

#### OPPORTUNITIES

- Growing demand for faster and more stable passenger ferries that have air conditioning
- Visiting superyachts once a marina is established

### WEAKNESSES/THREATS

#### WEAKNESSES

- Boat construction and safety standards are mostly minimal with accidents and sinkings taking place on a regular basis
- Marine tourism market is dominated by local builders
- Low potential to develop a local leisure boating market

#### THREATS

- A major boating accident could damage the marine tourism market
- National and local politics are volatile

#### SRI LANKA

**Total registered boats of all types:**  
Estimate 20,000

**Total passenger and utility craft for marine tourism:**

Estimate 400

**Hotel beach boats, canoes, catamarans, dinghies and PWC for marine tourism:**

Estimate 1,500

**Total dedicated leisure boats:**

Estimate 1,000

**Import duty:**

30% on leisure boats and commercial fishing boats. Zero duty on passenger boats and marine tourism boats.

**Operational marinas:** None

**Marinas under construction:** None

**Marinas planned:** 2

**Boat builders:** 60 with 30 members of the BTI

#### STRENGTHS

- Tourism and marine tourism growing strongly.
- Strong government support for developing marine tourism and the leisure boating market
- Leisure boating market is established
- Strong training support (BTI) for boatbuilding and ICOMIA member

#### OPPORTUNITIES

- Marina developments
- Flotilla sailing and charter and marine tourism activities

#### WEAKNESSES

- Recreational boating water quality and pollution

#### THREATS

- Change in government could mean marine tourism and leisure boating will lose government support



▲ SeaShuttle uses STEALTH hydrofoil-assisted catamarans to transfer tourists to high-end resorts in the Maldives

pattern of flights and onward transport to the resorts, but also the sort of watersports activities the guests experience,” he says. “We find that with shorter stay periods, guests want to try as many experiences as they can and this has increased our overall demand. Diving is the most popular activity using Dorni’s, an indigenous design of boat to the Maldives. Also popular are excursions, where there is a need for fast, luxury powerboats.”

The reduced average stay time for guests has also impacted on stronger demand at resorts closer to Velana International Airport. While there are over 110 resorts across the Maldives, 40 are located within the North and South Malé atolls which can be reached within an easy one-hour trip by fast passenger boat from the airport. At present there are over 2,000 boats operating in the tourism sector in the Maldives, the majority having been built by Gulf Craft and AS Marine as 36ft-40ft outboard-powered boats.

With the increased demand for the number of boat transits and the rise in the number of five-star-plus resorts there has been a move to use larger, faster and more stable boats with enclosed air-conditioned cabins. One of the operators is SeaShuttle, which uses STEALTH 52ft hydrofoil-assisted catamarans. These are proving very popular with the high-end resorts, with three boats contracted to the luxury Jumeirah resort. These boats reduce transit time from the airport to 25 minutes. SeaShuttle both build and operate their boats, with building carried out in South Africa.

Managing director Ian Stopforth told *IBI*: “We are seeing the demand for our service increasing all the time as the number of luxury resorts grow and wish to offer their guests a safer and more luxurious travel experience. We have also invested heavily in crew training and in the service and maintenance of

our boats in order to offer a high-end experience to guests in their transit to and from the airport. This has been well-received and we have a high level of demand to increase our fleet and are currently looking for investment to expand the number of catamarans we can offer to service the four or five new developments that will be operating in the next two years.”

#### MARINAS

Currently there are no full-service marinas in the Maldives, but this situation will change with the opening next year of an integrated resort complex being built around eight miles south of Malé in the lagoon of Emboodhoo Falhu. The project will incorporate several marinas for both marine tourism and visiting yachts. The project is being built by Thai developer Singha Estate Plc with marina design and consultancy from London and Hong Kong-based Camper & Nicholsons Marinas.

According to a recent report in the *Bangkok Post* newspaper, the development will include a 50-berth marina and will eventually have nine themed destination islands. Resorts on the first two islands are expected to be operational in July 2018 and the firm expects to see more Chinese tourists in the Maldives in the future.

There is also a large marina planned for the main airport island which will accommodate the new terminal for all of the ferry boats operating to the islands as well as offering berthing for visiting yachts and some support services.

#### LEISURE BOATING MARKET

Gulf Craft of the UAE, the largest leisure boat manufacturer in the Gulf, has a factory in the Maldives and builds mainly smaller boats up to 40ft for the marine tourism sector. According to Erwin Bamps, CEO of Gulf Craft, the company builds around 80 boats a year in the Maldives. Considering the potential for leisure boating in the archipelago, Bamps says: “The Maldives is a nation well-acquainted with boats, ➔

HUSSAIN THOUFEEQ ALI, MANAGING DIRECTOR  
SILVER SANDS PVT

***Diving is the most popular activity using Dorni’s, an indigenous design of boat to the Maldives. Also popular are excursions, where there is a need for fast, luxury powerboats***

IAN STOPFORTH, MANAGING DIRECTOR  
SEASHUTTLE

*The tourism islands, which focus mainly on high-end guests, don't really want visiting yachts as they wish to preserve exclusivity for their clients*

although they are all used for functional purposes such as transport and fishing. Consequently they view boats as a tool and not as an object of pride or for pleasure. Leisure boating is an alien culture to the local population and one would have to look into the future to anticipate any change in this. The market for visiting yachts and for overseas owners basing their yachts in the Maldives is, in my opinion, also difficult. Support for visiting leisure yachts is poor with no marinas and a lack of infrastructure for lifting and repair. For visitors it's difficult to go to other islands and there are issues about dress code and alcohol in a country that has a quite strict Muslim culture. Diversity of what the visitors by water can see is also an issue. Once you have seen one resort island they are all fundamentally the same, with no diversified landscape or local culture that you can sample. In terms of beautiful waters and corals the Maldives is one of the best destinations in the world, but it's a niche market for leisure boating and does not have the diversity of other Asian countries such as Thailand, Malaysia or Indonesia.”

Ian Stopforth from SeaShuttle also agreed, adding:

▼ Neil Marine in Colombo is one of Sri Lanka's boatbuilding pioneers



“The tourism islands, which focus mainly on high-end guests, don't really want visiting yachts as they wish to preserve exclusivity for their clients and supplies and fuel for visitors is difficult to arrange.”

#### CONCLUSIONS

The Maldives islands are a large market for passenger and utility boats with a market size of more than 2,000 boats. While the majority of the boats are built locally, there is an increasing demand for more sophisticated passenger boats as the number of higher-end resorts grow. The growing popularity of the foil-assisted SeaShuttle catamaran with the hotel resorts is a good example of this.

The number of boats and the intensity of use make this market an interesting one for engine, equipment and service providers.

Despite being one of the most attractive tourist destinations in the world, the potential for the leisure boat market is more difficult to realise. The islands are a long way – over 1,000 miles of open water – from the existing leisure boating areas in South East Asia and the Gulf, too far for any but the most adventurous boater to undertake. Keeping a leisure boat in the Maldives is also currently unattractive. The lack of marinas, varied destinations, maintenance, quality and availability of fuel and the limitations imposed by a fairly strict Islamic culture are all issues for the leisure boater to consider. It's likely to remain a niche market for those enthusiasts keen on fishing and diving who want their own boat.

#### SRI LANKA

Sri Lanka, situated of the southern tip of India, has a long maritime heritage, having been a destination on the ancient Silk Road trade routes and as a result became an important port with its protected harbours and strategic location, although this reduced after the Second World War.

Sri Lanka, at various times known as Serendib, Taprobane and latterly under the British as Ceylon, has had a long history of colonial rule starting with the Portuguese who founded the port city of Colombo in 1517 and occupied a substantial coastal part of the island. The Portuguese were not liked by the Buddhist majority of the local population, who welcomed any other overseas power that might free them. This resulted in the Dutch assuming power in the 1600s from the Portuguese. The Dutch used their skills in building canals and dykes to construct a network of canals in and around Colombo to transport commodities to the port, much of this network exists today and is presently undergoing restoration. In 1796, control passed to the British who capitalised on the potential for growing tea, coffee and rubber, a period that lasted until Ceylon achieved independence with dominion status in 1948 and in 1972 was established as the Republic of Sri Lanka. Modern history is dominated by the Civil War between the government

and the Tamil minority in the north, which lasted from 1983 until the military defeat of the Liberation Tigers of Tamil Eelam (LTTE) in May 2009 under President Mahinda Rajapakse. The war badly affected the Sri Lanka economy, especially tourism. It is estimated that 80,000 civilians died alongside 30,000 government troops and LTTE fighters from 2006 to 2009.

An outcome of the war was Sri Lanka's increasing reliance on China who were willing to supply arms and assistance to the government while the West, with an international arms bans, would not. The influence of China continues to this day as the major funder of infrastructure projects, including ports and marinas, in both Sri Lanka and the neighbouring Maldives. However, with the advent of the new government in 2015 under President Sirisena, there has been a cooling of relations with China and a slowdown in some of the projects.

The current population of 21.8 million is heavily concentrated in coastal areas, especially around the capital city of Colombo.

#### ECONOMY

According to the latest data on Sri Lanka, the country is experiencing strong economic growth of 4.5% per year following the end of the government's 26-year conflict with the Liberation Tigers of Tamil Eelam. The government has been pursuing large-scale reconstruction and development projects in its efforts to spur growth in war-torn and disadvantaged areas, developing small and medium enterprises, and increasing agricultural productivity.

The government's high debt payments and low tax revenues have contributed to historically high budget deficits, with government debt of about 72% of GDP remaining among the highest in emerging markets. The new government in 2015 increased wages for public sector employees, which boosted demand for imported products, but hurt the overall balance of payments and reduced foreign exchange reserves. GDP per capita on a PPP basis is currently running at US\$11,200, which puts Sri Lanka in between countries that are poor enough to receive substantial overseas aid and those that are well on the way to 'developed' status.

Tourism has experienced strong growth since the cessation of the conflict and the government has been pursuing large-scale reconstruction and development projects in its efforts to spur further growth.

#### MARINE TOURISM

A blend of stunning landscapes, sandy beaches and captivating cultural heritage sights make Sri Lanka one of the few places in the world that offers a rich diversity for tourism within a compact location.

Marine tourism at sea was virtually impossible during the years of conflict, but is now developing strongly with whale-watching taking place off the southern port of Galle as well as boating activities from the hotel sites. More recent developments

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include several operators offering catamaran cruises to some of the beautiful beaches and sailing waters off the east coast. With the conclusion of the conflict in the north, the coast around Trincomalee and Jaffna is now providing opportunities for cruising, the main operator being Sail Lanka Charter which operates five locally built catamarans.

Measures to improve tourism have in recent years included upgrading the road infrastructure and it is now possible to reach the southern port of Galle, the main leisure boating harbour, in just over an hour from Colombo's airport.

The government has a policy of developing marine tourism, knowing that this will also help grow a leisure boating market. The chairman of the Sri Lanka Tourism Development Authority, Paddy Withana, described plans for the development of marine tourism and leisure boating in Sri Lanka: "The Tourism Board feels that there is a tremendous opportunity to expand our marine tourism sector in Sri Lanka. While we have existing marine tourism with specialist activities such as surfing competitions, kite boarding and activities for tourists such as whale-watching, Sri Lanka is not generally known as a leisure boating destination. The government is very keen to change this and open marinas in key positions to attract the transient yachts that pass Sri Lanka. We also need marinas to act as bases for boats involved in marine tourism to increase the numbers of tourists coming to enjoy watersports and for our citizens to enjoy leisure boating."

Indira Malwatte, chairperson and chief executive of a key government department, the Sri Lanka Export Development Board, agrees. "Tourism in Sri Lanka has seen an increase in the last six years, but we want to develop more activity-related sectors such as marine tourism, as this sector is a valuable indirect export earner for the country," she says.

#### BOATBUILDING

Despite the non-existent domestic boating market up to 2009, boatbuilding thrived as companies capitalised on the competitive exchange rate, low overheads and the availability of low-cost, skilled labour. Sri Lankan boatbuilders established a reputation for reliability and value for money, acting as sub-contractors to brands mainly in Europe exporting to Norway, Sweden, the Netherlands and the UK.

Although the sub-contract business for leisure boats has slowed in line with the industry downturn in Europe, Sri Lankan builders are still busy with servicing the Indian Ocean market for commercial fishing boats, leisure boats and marine tourism, with customers as far afield as East Africa, Maldives, Mauritius, Seychelles and South Korea. The industry is also starting to promote its own brand of leisure boats with an eye to the developing markets in Africa, the Indian Ocean islands and Asia, which it is geographically well-placed to serve. There are currently 50 boatbuilders in Sri Lanka, of which seven are active in exporting.

INDIRA MALWATTE, CHAIR AND CEO  
SRI LANKA EXPORT DEVELOPMENT BOARD

***We want to develop more activity-related sectors in Sri Lanka such as marine tourism, as this sector is a valuable indirect export earner for the country***

The Sri Lanka Government Export Promotion board is also very active in promoting the industry and supports the Boatbuilding and Technology Improvement Institute (BTI) which was set up to enhance the skill levels of the workforce.

"The BTI has 30 active members and, besides being the training body for the industry, has also undertaken the role of a Marine Industry Association and we have joined ICOMIA as the newest, 35th member," says BTI chief executive Gamini Herath. "We also own and run, with the support of the Economic Development Board, the Sri Lanka Boat Show which we run on a bi-annual basis, the 6th edition is under planning for 2018."

Indira Malwatte, chairperson and chief executive of the Export Development Board (EDB), says: "It is a priority for our government to increase exports as our balance of trade needs to be improved, and the government has identified the need to develop new product sectors and markets for export, diversifying away from our traditional industries of tea and garment production.

"Sri Lanka has moved into the middle income bracket countries, so we are also looking to build up leisure-related industries that will appeal to our local population. We have just completed several studies which have identified boatbuilding as a priority sector, and we are planning several measures to assist in this.

"Our studies have also highlighted the need to establish clear regulations for leisure boating with regard to manufacturing standards, licensing and registration, and we are about to commission a project with consultants to generate proposals as to how this should be enacted. We already have a boatbuilding training school in Colombo, supported by the Economic Development Board, which not only trains local boatbuilders, but also receives students from overseas."

The pioneer of boatbuilding in Sri Lanka is Neil Marine, founded by Neil Fernando who built his business in the fishing boat sector and expanded into being a key sub-contractor to Fairways Fisher,



▲ Indira Malwatte, CEO of the Sri Lanka Export Development Board, and Neil Marine founder Neil Fernando

a very strong traditional brand in the UK in the 1970s and 1980s. More recently, Neil Marine has built a partnership with Menken Maritiem in the Netherlands with a range of traditional Dutch sloops and motorboats.

Managing director Bernard Menken says: “The business model we have of using European designers and manufacturing with Neil Marine in Sri Lanka has proved highly successful, with over 400 boats delivered to customers in the Netherlands and Germany.”

#### LEISURE BOATING MARKET

With a coastline of 1,300km and several lagoons and inland lakes, Sri Lanka has one of the key ingredients for leisure boating. However, from 1983 to 2009 the state of conflict in the country and the resulting drag on the economy effectively strangled the development of leisure boating as an activity. This situation has now changed with the return of peace and the rise in Sri Lanka as a major tourist destination.

With Sri Lanka poised to open up for leisure boating, the study being completed by the EDB is timely for the future growth of the industry.

During the conflict period up until 2009, some degree of leisure boating carried on in inland waters despite most of the coastal areas and sea being closed. Bolgoda Lake near Colombo is the largest Lake in Sri Lanka. G.S. Fernando, managing director of Dhanusha Marine, has his Lloyds-approved factory next to the lake, producing 15 models in the 10ft-25ft size range with a workforce of 120 exporting to Maldives, Norway and South Korea.

Fernando said: “There are about 500 leisure boats on the lake, including about 100 at the Ceylon Motor Yacht Club which was established in 1923. Despite its name, the club is very active in dinghy sailing with racing every Sunday. Now that the sea has opened up again for leisure boating, we are seeing an interest in leisure boating locally. We, as an industry with the BTI, need to engage with government to show them how marine tourism and a local leisure boating market can

benefit the country. We must also tackle the problems of pollution in the sea and inland waterways. Plastic bags are a particular problem.”

#### MARINAS

At the present time there are no full-service marinas in Sri Lanka. The port of Galle has some mooring inside its protected harbour and this has been the main port for visiting yachts. Although there has been much talk of building a marina in Galle, nothing positive has happened.

According to Gamini Herath from the BTI: “There are now several marina projects under consideration, given that there is now government support to encourage this. Sites include Negombo, Trincomale and Galle, there are issues to overcome including opposition from local fishermen, but we are hopeful that something positive will happen shortly.”

#### CONCLUSIONS

The Sri Lanka marine tourism and leisure boating market has been on a growth trajectory since the conflict ended in 2009. A new government has prioritised the growth of tourism, with the marine sector a key focus and indicating its support for the growing leisure boating market.

The boat manufacturing industry, which kept going in difficult years, is having a new boost from the government's help channelled through the BTI and the establishment of a boat show with the 6th edition scheduled for 2018. The work being done by the government to establish transparency for the industry in terms of building standards and regulations will enhance the professionalism of the industry for the future.

A key issue is to improve the quality of the recreational waters, both at sea and inland, through a long-term education and clean-up program.

The final word on the future of the industry should go to the chairman of the Boat Building and Technology Improvement Institute, Neil Fernando, acknowledged as the industry's elder statesman after 50 years in boatbuilding.

Speaking at the Sri Lanka Boat Show in November 2016, Fernando said: “There are three key issues to address for the growth of our industry:

- The need to develop new skills and expertise in a competitive, global industry
- The need for government support to develop leisure boating facilities such as marinas and secure harbours
- The need for better human resources to support boatbuilding, its associated industries, and marine tourism in general.”

In conclusion, it appears that the Sri Lanka boating industry is developing well with the aid of strong government support, and it's on track to become both a factory and a market. **IBI**