COUNTRY REPORT
SRI LANKA

AGRO ENTERPRISES DEVELOPMENT
AND
FOOD CHAIN MANAGEMENT
Introduction

- Agricultural based economy
- Agriculture plays a dominant role in economy
- Contribution of agriculture to the economy has been declining
- The main reason is the traditional system involved in food production.
- Nobody considered Agriculture as a business
Why modernized agriculture?

- Maintain as a profitable business
- Adopt new technology
- Attract young generation to agriculture
- Face the global trend
- Minimize the competitiveness for the limited resources
- Fulfill the customers requirements
- Increase the employment opportunities in the sector
- Increase the income
- Minimize the losses (specially fruits and vegetables)
High priority areas

- Food processing and value addition
- Reduce pre and post harvest losses
- Production and cropping systems
- Market promotion and market information
- Introduction and promotion of labor saving machinery in crop production
Major hindrances

- Primary stage products
- Some products considered as no value
- Large scale losses
- Seasonal products
- Unawareness on world trend
- Reluctant to adopt new technology
Basic Requirements for Agro Enterprise

- Basic information
- Potential market
- Resources (Production, Processing, Marketing, Human, Technical, Financial and Management)
- Competitiveness (To face the competitiveness productivity and quality control must be addressed carefully)
- Supporting Services (Inputs, Credit, Policy recommendations, Regulatory measures and organizations)
- Technical Assistance
Government support for Agro Enterprise development

- Provide custom relief or tax rebates
- Provide financial and technical support
- Support specialized research programs
- Support to establish large processing plants
- Provide information
- Provide training
- Support to establish links
Potential Agro Enterprises

- Value Added Food production
- Minimize Pre and Post Harvest Losses
- Quality and High Demanding Food Commodity Production in Modern Cropping Systems
- Organic farming
- Seed and Planting Material Production
Potential Agro Enterprises...

- Floriculture
  - Mushroom Cultivation
  - Bee Keeping
  - Production of Packaging Materials
  - Agricultural Mechanization
Present status

- Has very good potential in agro processing industry
- Very insignificant (about 1%) role in processed food export market.
- Post harvest processing activity is likely to expand
- Private sector perceives the risk of investment in the sector
Present status…..

- The policy environment is supportive
- Govt. sector needs to play more active role
- Limited knowledge on opportunities
- Most of the exports are primarily primary products
- Post harvest losses for crops are huge
Present status....

- Scientific drying and quality dehydration systems are absent
- Food processing is grouped as home based food processing, intermediate and industrial processing
- Large scale private sector organizations engaged farm mechanization activities
Research & Development

- Food Research Unit of DOA
- Institute of Post Harvest Technology
- Rice Research and Development Institute of DOA
- Farm Mechanization Research Centre of DOA
- Universities
- Industrial technology Institute
The Sri Lanka Standards Bureau (SLS) is responsible for standardization
Agro Enterprises Development & Information Service (AgEDIS)

- provide technical assistance in planning and implementation of agro Enterprises to promote public and private partnership for agro enterprises development for agricultural prosperity in the country.
Functions & services of AgEDIS

- Collaborate actively with the relevant parties
- Assist in establishing linkages
- Provide information
- Maintain a data base on commodity price in Sri Lanka and in other countries
- Conduct training programmes
Thank you!