Trade Procedures and Practices for Agricultural Machinery

Country Perspective: Sri Lanka
Agriculture Industry in Sri Lanka

Traditional
- Tea, Rubber & Coconut

Non-Traditional
- Rice Production
- Maize
- Other Field Crops (OFC), including fruits, vegetables, Yams, Pulses & Seeds

Contributes 7% of GNP

26% of Labour force deployed in Agriculture (down from 36.8% in 1995)
Paddy Cultivation in Sri Lanka

**Area sown-** 1,230,000 Hec
- Production 4.5 Mn Metric Tons per annum

**Cultivation**
- Maha season – 65% (September – December)
- Yala season – 35% (April – July)

**Average Plot size**
- 10x10 – 20x20 SqM
Maize Cultivation in Sri Lanka

Area sown- 90,000 Hec (2020)
- Mostly rain fed / Irrigated

Crop
- 313,000 M’ Tons per annum
- Growing at an average of 16% annually

Average Extent
- 4 hec and upwards
### Market: Mechanisation

<table>
<thead>
<tr>
<th>Machinery</th>
<th>Current demand</th>
<th>Forecast/annum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tractors</td>
<td>5500 units</td>
<td>On average 4000 to 6000 units</td>
</tr>
<tr>
<td>Combined Harvestors</td>
<td>800-850 Units</td>
<td>On average 500 to 800 units</td>
</tr>
<tr>
<td>Powertillers</td>
<td>1500 units</td>
<td>On average 1000 to 1200 units</td>
</tr>
<tr>
<td>Rice Transplanters</td>
<td>negligible</td>
<td>nil</td>
</tr>
<tr>
<td>Sprayers</td>
<td>40,000</td>
<td>Demand for power sprayers are on the rise</td>
</tr>
</tbody>
</table>
Value Chain

Land Preparation

Planting/Seeding

Crop Management

Harvesting

Postharvest Handling

Food Processing

Present

Tractors, Power tillers, Implements

Paddy Trans planters

Weeders, Sprayers

Paddy Combine Harvesters

None

Needs Improvement

Gap

Lazer levelers, Bund makers

Seeders

Aerial sprayers, Mechanized weed control for other crops

Harvesters for Maize & Other crops

Dryers, Graders, Sorters. Balers

Value addition; machinery
Import Procedure – at the present moment

- No restrictions to importing agriculture machinery at present
- No formal approvals required
- Total taxes payable at the point of entry to country is appx. 5% (standard levies)
- Imports arrive by sea transportation to Colombo Port
- The main problem faced at the moment is the limited availability of foreign exchange to open LC’s – Major bottle-neck
Thank You!

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Clarifications / Questions ?