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EDITORIAL

his edition of the Business Lanka magazine shines a light on an all-encompassing new movement dedicated to uplifting and improving the nation's and world's health. Nutrition being the key factor, Sri Lanka has made strides in the Organic Agricultural sector and continues to do so.

From the establishment of NOCU (National Organic Control Unit) under the Sri Lanka Export Development Board, to insight into Sri Lanka's growing organic movement by the Good Market, A look through the Management of post-harvest diseases of organic fruits and vegetables by Professor Nimal Adikaram, An Interview with South Korean Ambassador Chang regarding Sri Lanka's potential, a look into the current situation through a major exporter, namely Chairman of Bio Foods (Pvt) Ltd and many more, we see multiple points of view on such a broad and wide new front.

We follow interviews and information varied in its content from various sources that shed light and bring this topic front and center to potentially improve this industry and drive it forwards.

Sri Lanka Export Development Board

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ESTABLISHMENT OF AN INDEPENDENT NATIONAL ORGANIC CONTROL UNIT

UNDER THE SRI LANKA EXPORT DEVELOPMENT BOARD



The market for organic products has been growing steadily and the prices of organic products are generally higher than those of conventional products.

USA and Canada record a rapidly growing organic food market, having an annual growth of 20% and EU records a 7.8% annual growth. Countries such as Japan, New Zealand, Australia and Middle East are also considered as booming markets for organic products.

Most developed countries have established the minimum requirements to classify products as organic and therefore products are checked at customs with relevant documentary proofs to support the claim for a product as **organic.** These regulations are formulated based on guidelines or basic standards provided by the International Federation of Organic Agriculture Movements (IFOAM) and Codex Alimentarius. International Certification Bodies (ICB) being Private and Government affiliated organizations set its own standards satisfying the minimum requirements stipulated by the EU or the country regulations. ICB evaluates the compliance of the findings of the inspector with its own standards and based on satisfactory levels of compliance, a certification is granted for the products to be called organic. Without a third party guarantee on the compliance of set international standards on organic production methods, a product cannot be labelled, termed or be called as organic. This will ensure that only products certified by the registered agencies under these authorities are allowed to use the Organic label with the national logo.



Sri Lanka has also identified the requirement of establishing a National body to monitor and regulate the organic sector to safeguard the credibility of organic products produced and exported from Sri Lanka including the organic products imported to the country.

Therefore, the National Organic Control Unit (NOCU) is being established under the Sri Lanka Export Development Board as an independent national body to control the export/import of all organic agricultural products. It will be mandatory for all producers, processers, manufacturers and exporters/importers of organic agricultural products to register with NOCU, adhere to and comply with organic standards adopted by the unit. Further the certification bodies and laboratories engaged in organic products accredited by the Sri Lanka Accreditation Board (SLAB) need to be registered with NOCU.



In order to label a product as organic, it is compulsory to obtain an organic certificate from an internationally accepted certification body. Every producer, processor or manufacturer and exporter/importer of these products shall be required to obtain a certificate of conformity from the registered certification body/laboratory under NOCU to enable such products to be exported. NOCU will also serve the purpose of obtaining the 3rd country registration in the EU market which will facilitate the low cost of organic certification and avoid tariff barriers to enter into the EU market.

In view of the above, to implement these requirements, Regulations were made under the provisions of the Export Development Act No 40 of 1979. These regulations were published in the Government Gazette and approval of the Parliament has been granted for the same. The Logo for NOCU was also registered with the National Intellectual Property Office (NIPO), Sri Lanka.

Accordingly, the Export Development Board is deemed as the Organic Control Body of Sri Lanka for the purpose of cultivation, production, processing, manufacturing and sales including export & import of organic products.

OBJECTIVES OF ESTABLISHING NOCU FOR ORGANIC PRODUCERS/EXPORTERS

- Function as the national monitoring/controlling body of the export/import of all organic agricultural products.
- Maintain national organic standards through guaranteed monitoring procedures to safeguard the credibility of organic products that are cultivated/manufactured in Sri Lanka.
- Serve to obtain 3rd country registration in the EU market that facilitate low-cost certification and avoid tariff barriers to enter into the EU.
- Enable the organic certification to be carried out by local certification bodies registered under the proposed structure, thus reducing the cost of certification against high cost of certification through certification bodies overseas.
- Small organic farming clusters will be able to obtain organic certification at an affordable cost.
- Increase farmer income: 30%-100% price advantage compared to conventional products.
- Organic products fetch premium prices in the export market therefore increasing export earnings.
- More farmers into organic agriculture will save valuable foreign exchange by reducing the import of agrochemicals & fertilizers.
- Ascertain the import/export value and quantity of organic products at the customs point in the absence of a separate HS code.
- Availability of organic export statistics will facilitate the Government to formulate policies and development plans for the sector.
- NOCU will carry out all development work for the organic sector.





ESTABLISHMENT OF AN INDEPENDENT NATIONAL ORGANIC CONTROL UNIT - NOCU

THE WORLD OF ORGANIC AGRICULTURE 2016: SUMMARY Excerpt of ITC Data





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AGRICULTURE 2016: SUMMARY EXTRACT OF ITC DATA

Key data on ORGANIC Agriculture

According to the latest FiBL survey on certified organic agriculture worldwide, as of the end of 2014, data on organic agriculture was available from 172 countries (up from 170 in 2013). There were 43.7 million hectares of organic agricultural land in 2014, including in-conversion areas. The regions with the largest areas of organic agricultural land are Oceania (17.3 million hectares, 40 percent of the world's organic agricultural land) and Europe (11.6 million hectares, 27 percent). Latin America has 6.8 million hectares (15 percent) followed by Asia (3.6 million hectares, 8 percent), North America (3.1 million hectares, 7 percent) and Africa (1.3 million hectares, 3 percent). The countries with the most organic agricultural land are Australia (17.2 million hectares), Argentina (3.1 million hectares), and the United States (2.2 million hectares). THERE WERE ALMOST 2.3 MILLION PRODUCERS IN 2014. FORTY PERCENT OF THE WORLD'S ORGANIC PRODUCERS ARE IN ASIA, FOLLOWED BY AFRICA (26 PERCENT) AND LATIN AMERICA (17 PERCENT).

Currently, one percent of the agricultural land in the countries covered by the survey is organic. By region, the highest organic shares of the total agricultural land are in Oceania (4.1 percent) and in Europe (2.4 percent). In the European Union, 5.7 percent of the farmland is organic. However, some countries reach far higher shares: Falkland Islands (36.3 percent), Liechtenstein (30.9 percent), Austria (19.4) percent. In eleven countries, more than ten percent of the agricultural land is organic.

For 2014, almost 500,000 more hectares of organic agricultural land were reported than for 2013. There has been an increase in organic agricultural land in all regions, with the exception of Latin America; in Europe, the area grew by almost 0.3 million hectares (+2 percent). In Africa, the area grew by almost 5.5 percent (over 54,000 hectares); in Asia, the area grew by more than 158,000 hectares (+4.7 percent) and in North America by more than 1 percent. Only in Latin America did the organic land decrease, mainly due to a decrease in organic grazing areas in Argentina. A major relative increase of organic agricultural land was noted for Nigeria, Myanmar, Tonga, and Malta. In absolute terms, the highest increases were noted for Uruguay (almost 0.4 million hectares), India (+0.2 million hectares) and the Russian Federation (+0.1 million hectares).

Apart from agricultural land, there are further organic areas, most of these being areas for wild collection.

Other areas include aquaculture, forests, and grazing areas on non-agricultural land. The areas of non-agricultural land constitute more than 37.6 million hectares. In total, 81.2 million hectares (agricultural and non-agricultural areas) are organic.

There were almost 2.3 million producers in 2014. Forty percent of the world's organic producers are in Asia, followed by Africa (26 percent) and Latin America (17 percent).

The countries with the most producers are India (650,000), Uganda (190,552), and Mexico (169,703). Over a quarter of the world's organic agricultural land (11.7 million hectares) and more than 86 percent (1.9 million) of the producers were in developing countries and emerging markets in 2014.

Land use details were available for over 90 percent of the organic agricultural land. Unfortunately, some countries with very large organic areas, such as Australia, Brazil and India had little or no information on their land use. Almost two-thirds of the agricultural land were grassland/grazing areas (27.5 million hectares). With a total of at least 8.5 million hectares, arable land constitutes almost 20 percent of the organic agricultural land. An increase of almost seven percent over 2013 was reported. Most of this category of land was used for cereals including rice (3.4 million hectares), followed by green fodder from arable land (2.6 million hectares), oilseeds (almost 1 million hectares), vegetables (0.3 million hectares), and dried pulses (almost 0.4 million hectares). Permanent crops account for eight percent of the organic agricultural land, amounting to 3.4 million hectares. The most important permanent crops were coffee (with more than 0.7 million hectares, constituting almost one quarter of the organic permanent cropland), followed by olives (0.6 million hectares), nuts (0.28 million hectares), and cocoa (0.25 million hectares).

SELECTED CROPS

For this new section, a summary of the "State of Sustainable Markets: Statistics and Emerging Trends – 2015" report is provided. It offers a snapshot of production-related data (area, production and producers) for key global sustainability standards across eight commodity sectors (bananas, cocoa, coffee, cotton, forestry, palm oil, soybeans, cane sugar and tea) and forestry.

GLOBAL MARKET

Global retail sales of organic food and drink reached 80 billion US \$ in 2014 according to Organic Monitor. North America and Europe generate most organic product sales. These two comprise approximately 90 percent of organic food and drink sales.

Many of the organic crops grown in other regions, especially Asia, Latin America, and Africa, are destined for exports. The global market for organic food and drink has expanded over fivefold between 1999 and 2014, and Organic Monitor projects growth to continue.

In 2014, the countries with the largest organic markets were the United States (27.1 billion euros), Germany (7.9 billion euros) and France (4.8 billion euros). The largest single market was the United States (approximately 43 percent of the global market), followed by the European Union (23.9 billion euros, 38 percent) and China (3.7 billion euros, 6 percent). The highest per-capita consumption with more than 100 euros was found in Switzerland, Luxembourg and Denmark. The highest market shares were reached in Denmark (7.6 percent), Switzerland (7.1 percent) and Austria (6.5 percent in 2011).

AFRICA

THERE WERE ALMOST 1.3 MILLION HECTARES OF CERTIFIED ORGANIC AGRICULTURAL LAND IN AFRICA IN 2014, WHICH CONSTITUTES ABOUT THREE PERCENT OF THE WORLD'S ORGANIC AGRICULTURAL LAND.



ASIA

THE TOTAL ORGANIC AGRICULTURAL AREA IN ASIA WAS 3.6 MILLION HECTARES IN 2014.



EUROPE

IN EUROPE, 2.4 PERCENT OF THE AGRICULTURAL AREA WAS ORGANIC (EUROPEAN UNION: 5.7 PERCENT).





There were more than 570,000 producers. Uganda was the country with the largest organic area (with more than 240,000 hectares) and with the largest number of organic producers. The country with the highest share of organic agricultural land was the island state Sao Tome and Principe, with 12 percent of its agricultural area being organic. The majority of certified organic produce in Africa is destined for export markets. Key crops are coffee, olives, nuts, cocoa, oilseeds, and cotton. There is a growing recognition among policy makers that organic agriculture has a significant role to play in addressing food insecurity, land degradation, poverty, and climate change in Africa.

In October 2015, the African organic movement and its partners and stakeholders gathered in Lagos, Nigeria for the 3rd African Organic Conference under the theme "Achieving Social and Economic Development through Ecological and Organic Agricultural Alternatives". The conference was moderated by the African organic umbrella organisation 'AfrONet' and had 220 participants from 28 countries (22 from Africa) and four continents, including the participation of the African Union. The Lagos Declaration calls for more support from the African states for the Ecological Organic Agriculture Initiative and its 10-year strategic plan. The Strategic Plan (2015-2025) provides a visionary direction for the development of Ecological Organic Agriculture on the African continent.

This constituted 8 percent of the world's organic agricultural land. There were more than 0.9 million producers; most of these were in India. The leading countries by area were China (1.9 million hectares) and India (0.7 million hectares); Timor-Leste had the highest proportion of organic agricultural land (almost 7 percent). Organic production and domestic markets have established themselves throughout the region, and Asia has the third-largest market for organic products. Whereas many countries mainly export primary crops, others, including Japan, depend on organic imports (Sahota 2016).

Governments are encourageing development – e.g. in Bhutan, Laos and Malaysia. Having completed the ASEAN Standard for Organic Agriculture (ASOA) in 2014, the ASOA Task Force received a mandate to follow up with the development of certification and recognition arrangements in 2015. At the same time, Community Supported Agriculture (CSA) and Participatory Guarantee Systems (PGS) are developing apace as low-cost alternatives to third party certification for the domestic market.

As of the end of 2014, 11.6 million hectares of agricultural land in Europe (European Union 10.3 million hectares) were managed organically by almost 340'000 producers (European Union almost 260,000). Twenty-seven percent of the world's organic land is in Europe. Organic farmland has increased by approximately 0.3 million hectares since 2013. The countries with the largest organic agricultural areas were Spain (1.7 million hectares), Italy (1.4 million hectares) and France (1.1 million hectares). Eight countries have more than 10 percent organic agricultural land: Liechtenstein has the lead (30.9 per cent), followed by Austria (19.4 percent) and Sweden (16.3 percent).

Retail sales of organic products totalled approximately 26.2 billion euros in 2014 (European Union: 23.9 billion euros), an increase of 7.6 percent over 2013. The largest market for organic products in 2014 was Germany, with retail sales of 7.9 billion euros, followed by France (4.8 billion euros) and the UK (2.3 billion euros).

In 2014 and 2015, the Swedish organic market experienced an unprecedented growth, increasing by more than 40 percent – a rate that is very remarkable for an already well-established market.

LATIN AMERICA AND THE CARIBBEAN

IN LATIN AMERICA, ALMOST 400,000 PRODUCERS MANAGED 6.8 MILLION HECTARES OF AGRICULTURAL LAND ORGANICALLY IN 2014.



NORTH AMERICA

IN NORTH AMERICA, MORE THAN 3 MILLION HECTARES OF FARMLAND WERE MANAGED ORGANICALLY IN 2014.



In 2015, the agricultural ministers of the European Union reached an agreement on the proposal for a new organic regulation. The proposal is currently under negotiation between the European Commission, European Agriculture Council and European Parliament with a final agreement on the basic legislation foreseen in 2016. In the field of the European Union's Common Agricultural Policy (CAP), 2014 and 2015 have been dominated by the final adoption of implementing rules on direct payments and new Rural Development Programmes. On the research end, early 2015, the European Technology Platform for Organic Food and Farming Research (TP Organics) published priority topics for the Work Programme 2016/2017 of Horizon 2020, the current research framework programme of the European Union. The European Commission's official Work Programme for 2016/2017, published in October 2015, offers many opportunities for organic food and farming research.

This constituted 15 percent of the world's organic land and 1.1 percent of the region's agricultural land. The leading countries were Argentina (3 million hectares), Uruguay (1.3 million hectares), and Brazil (0.7 million hectares, 2012). The highest shares of organic agricultural land were in the Falkland Islands/Malvinas (36.3 percent), French Guiana (8.9 percent), and Uruguay (8.8 percent).

Many Latin American countries remain important exporters of organic products such as bananas, cocoa and coffee; in countries such as Argentina and Uruguay, temperate fruit and meat are key export commodities. At the same time, domestic markets are trending positively in the region. Healthy products and the gastronomy sector have also been drivers of the organic sector in many countries with value-added products and visible marketing processes such as highly nutritious or gourmet fruits and vegetables.

Participatory Guarantee Systems (PGS), e.g. in Brazil are gaining more recognition among consumers.

Of these, 2.2 million were in the United States (2011 data) and 0.9 million in Canada, representing approximately 0.8 percent of the total agricultural area in the region and 7 percent of the world's organic agricultural land. Organic food sales posted an 11 percent increase to reach 35.9 billion US \$, now representing nearly 5 percent of total US food sales. The 2015 survey of the Organic Trade Association projected that organic food sales could jump by another 11 percent in 2015.

Domestic organic production cannot keep up with the robust demand, and there is a consensus that more organic farmers and more production are needed. In 2015, officials from the United States and Switzerland signed an organic equivalency arrangement, which joins the arrangements the US has with Canada (2009), the European Union (2012), Japan (2014) and South Korea (2014). In 2011, USDA began to track a number of organic exports and imports with a special harmonized system trade code, known as an HS code. There are now 34 export and 40 import codes for organic products. Currently, US organic exports are estimated at 3.2 billion US \$. In Canada, organic sales were estimated at 4 billion Canadian dollars (2015), with continued double-digit growth. After three years of meetings of technical experts, Canada's revised and updated organic standards were published in late 2015—the first comprehensive revision since the regulations were

introduced in 2009. The new version of Canada's organic standards will become mandatory for any new operations immediately, and for all operators within one year of publication. The process to update Canada's organic standards was overseen by the Organic Federation of Canada and a representative volunteer group of producers, processors, consumer groups and industry leaders.

The Organic Science Cluster II (OSCII), an industry-led research and development endeavours initiated by the Organic Agriculture Centre of Canada at Dalhousie University, is currently in its third year of operation. It is supporting 37 research activities across the country in organic agriculture, livestock management and the processing sector. The federal government of Canada recently announced an investment of eight million for the continuation of the cluster until 2018.

This constituted 4.1 percent of the agricultural land in the region and 40 percent of the world's organic land. More than 98 percent of the organic land in the region is in Australia (17.2 million hectares, 97 percent of which is extensive grazing land), followed by New Zealand (106,000 hectares), and Samoa (40,500 hectares). The highest shares of all agricultural land werein Samoa (14.3 percent), followed by Tonga (6.4 percent), the Solomon Islands (6.3 percent) and Kiribati (4.7 percent). Growth in the organic industry in Australia, New Zealand and the Pacific Islands has been strongly influenced by a rapidly growing overseas demand; domestic sales are also growing. In Australia, the domestic market was valued at 1.3 billion Australian dollars in 2014 and in New Zealand at 130 million New Zealand dollars (2012). The most recent Australian Organic Market Report valued the organic industry in Australia at 1.72 billion Australian dollars with exports more than doubling in value since 2012. Domestically, the sector continuing to hold the greatest share of the Australian organic market is dairy, which is closely followed by the meat industry and the fruit and vegetable and processed foods sectors.

Australia has no specific domestic legislation articulating the criteria for the production and marketing of organic products. The main legislative framework supporting the Australian organic industry remains the Export Control Act. However, the introduction of new consumer laws in 2010 provided additional scope to pursue and prosecute businesses attempting to misuse the organic label. Overall, there is little direct Federal Government support for the organic sector.

Interest in Participatory Guarantee Systems (PGS) in the Pacific Islands continued to expand through 2014–2015 as market opportunities for PGS-certified products evolved and examples were generated addressing how organic and PGS can be tools for sustainable social and economic development. A unique aspect of PGS in the Pacific is the regional PGS mark, "Organic Pasifika Guaranteed", which facilitates the recognition of organic products in the local market and is recognized across the 22 Pacific Island countries and territories, facilitating intra-regional trade in organic products. Most of the organically certified products from the region are for export, but there are indications of growing local markets through box schemes. Key products include spices, coconut products, and tropical fruit. The main international markets for the listed products are Australia and New Zealand, representing the main destinations for the export of organic products due to the proximity. Japan is a growing market, and other markets include China, North America and the European Union.

OCEANIA

THIS REGION INCLUDES AUSTRALIA, NEW ZEALAND AND THE PACIFIC ISLAND STATES. ALTOGETHER, THERE WERE MORE THAN 22,000 PRODUCERS, MANAGING 17.3 MILLION HECTARES.



STANDARDS, REGULATIONS AND POLICY

According to the FiBL survey on organic rules and regulations, the number of countries with organic standards is 87. Eighteen countries are in the process of drafting legislation. The dominating topic in 2015 in the European Union was the European Commission's proposal for a new organic regulation. Intensive negotiations within and among the European parliament, the EU Member States, and the European Commission have led to a consensus on some topics such as residue limits and the control system.

However, on other topics such as the revision of the import system no agreement has been achieved so far. The European Union currently recognizes twelve countries as being equivalent to the European Union's system (known as the Third Country list). The latest change was in February 2015 when South Korea was listed based on a bilateral agreement. The US has accepted several foreign governments' accreditation procedures. Certification bodies accredited according to the US requirements by India, Israel, and New Zealand are accepted by the United States Department of Agriculture for certification according to the US National Organic Program (NOP), even though they are not directly accredited by the United States Department of Agriculture. Participatory Guarantee Systems (PGS) are locally focused quality assurance systems certifying producers based on the active participation of stakeholders and are built on a foundation of trust, social networks and knowledge exchange. Based on the data collected through the Global PGS Survey 2015 by IFOAM – Organics International, it is estimated that 123 PGS initiatives are now established on all continents, and another 110 are currently under development. PGS are spread over 72 countries.

Governments have increasingly recognized the potential of organic agriculture to contribute toward their sustainability goals and objectives. Therefore, they are supporting the development of organic agriculture through a variety of government policies and programs such as targeted subsidies, market development, capacity building and research support. A new initiative of IFOAM – Organics International will enable it to serve as the global repository of information on effective governments.

THE WORLD OF ORGANIC AGRICULTURE: SUMMARY

FiBL& IFOAM – Organics International (2016): The World of Organic Agriculture 2016. Frick and Bonn

31 policies and programs to support organic sector development. A comprehensive overview of these policies and programs is in preparation, and related materials are being compiled and analysed. By the end of 2016, a Toolkit on Policies Supporting Organic Sector Development will be released and promoted to governments and their organic sector stakeholders.

BETTER DATA

The section "Better data" is a new addition to "The World of Organic Agriculture". For this edition, we received two contributions that deal with data collection methods and suggestions for their data collection – Vitoon Panyakul reports about a study that was carried out in Thailand.

MOVING TOWARD ORGANIC 3.0

Organic 3.0 was launched at BIOFACH in Nuremberg 2014, and the further development of its content is an ongoing process. After two years of think-tanking, the organic movement consults globally on the content of Organic 3.0. At the end of 2016, the global General Assembly will vote on whether Organic 3.0, as defined now, is the commitment for future development.

"SRI LANKA'S POTENTIAL NEEDS TO BE TRANSLATED INTO POLICIES THAT ATTRACT INVESTORS"

says South Korean Ambassador to Sri Lanka



Since forging strong ties in 1977, South Korea has over the years developed ties of cooperation and friendship with Sri Lanka, across diverse areas including the political and economic fields, development cooperation, cultural affairs and people to people exchanges.

In an interview with Business Lanka Magazine, the South Korean Ambassador to Sri Lanka Won. Sam CHANG, elaborated on the close ties that exist between the two countries and what the future holds in strengthening trade relations between South Korea and Sri Lanka. Q. What is your understanding of the historical and current ties between Korea and Sri Lanka in terms of Commerce and Trade? Since the opening of Korea's Trade Representative Office to Sri Lanka in 1972, followed by the establishment of diplomatic ties between Korea and Sri Lanka in 1977, the relations between the two countries have continued to evolve and develop across a whole spectrum of fields of mutual interest spanning the political, economic and cultural spheres.

To further promote trade between our two countries, KOTRA (the Korea Trade-Investment Promotion Agency), a quasi-government agency for the promotion of trade and investment, opened an office in 1979, and has offered various services such as trade information sharing, business matchmaking, exhibitions, business trip support, online transaction arrangement (arranging online transactions), strategic product support, business meeting conventions, consulting services for Small and Medium Enterprises and the establishment of easy transaction systems. With KOTRA's assistance, Korea accounted for the highest share of Foreign Direct Investment (FDI) in Sri Lanka in the 80s and 90s.

However, it is a bit disappointing that there has been little progress in bilateral trade and investment recently. In fact, the trade volume between our two countries has remained stagnant at around 400 million US\$ throughout the past several years.

Meanwhile, the Korean Government has spared no effort to support the Korean companies operating in Sri Lanka. Furthermore, the Korean Embassy hosts regular meetings with Korean construction companies in Sri Lanka to explore further opportunities for them to engage in the Megapolis and other infrastructure projects, which the Sri Lankan government considers as a high priority.

Apart from this, our economic relations are also reflected in active people-to-people exchanges. Currently, 28,000 Sri Lankan workers reside in Korea, and every year more than 5,000 Sri Lankans fly to Korea for employment purposes".

Q. In which sector will Korea have potential market value in Sri Lanka? "From the late 1980s to early 2000s, cheap labor and the benefit of the 'textile quota' attracted about 150 Korean companies to Sri Lanka. However, as the business environment deteriorated especially in terms of labor costs and other processing costs, many Korean companies moved away from Sri Lanka to other competing countries such as China, Vietnam, India, and Bangladesh.

But the good news is that currently, Korean business people are again seeking opportunities in Sri Lanka to embark on business activities in various fields, including infrastructure, renewable energy and fisheries, given that the Sri Lankan Government is also looking to usher in a business-friendly environment in the country.

Sri Lanka has great potential; however that potential needs to be translated into concrete policies that are investor friendly. Investors, who identify Sri Lanka as a country to invest in, need to be assured of transparency and consistency in policies pertaining to trade and investment.

In this context, the Korean Government is making various efforts to provide policy support to its Sri Lankan counterparts. For instance, the Korean Ministry of Land, Infrastructure and Transport, and the Sri Lankan Ministry of Megapolis & Western Development signed a MoU in May 2016, to strengthen bilateral cooperation on developing Colombo City and its neighboring areas. Through the MoU, not only will Sri Lanka benefit from Korea's extensive experience of urban development, but Korean companies will be able to more easily expand their businesses and investments into Sri Lanka.

Another example in this regard is the MoU signed between the Ministries of Fisheries of our two countries in December 2016. It is expected that the MoU will serve as a valuable foundation based on which Korea can provide both financial and technical assistance for the development project of the multi-purpose fisheries harbours in the North and North-Western regions of Sri Lanka".

Q. Sri Lanka is the 2nd largest partner country of Korea's Official Development Assistance (ODA) with the potential to become a future economic partner. Are there initiatives being taken to support the development of infrastructure in Sri Lanka? "As one of our Strategic Development Partner Countries and Korea's second-largest ODA partner in terms of total volume, Sri Lanka has so far received more than US\$ 700 million in total and roughly speaking, US\$ 80 million annually in the form of ODA since development cooperation between the two countries began in 1987.

KOICA, the grant aid and technical assistance body of the Korean Government, has been undertaking various small-scale infrastructure projects with an emphasis on social and economic infrastructure, capacity-building, human resources development and governance since 1991 and had completed 26 projects as of 2015.

Sri Lanka also ranks fifth among 52 partners in terms of the volume of soft loans granted through the Economic Development Cooperation Fund (EDCF) of Korea Exim Bank and bilateral cooperation between the two countries through the EDCF is being strengthened consistently. In fact, since the Colombo-Galle Road Rehabilitation Project was launched in the 1990s as the first EDCF project, a total of 27 projects have been implemented in Sri Lanka so far.

Most recently, in July 2016, the Framework Arrangement concerning Loans from the EDCF was signed between our two countries, on the basis of which, the Sri Lankan Government is able to obtain soft loans on favorable terms (with

an interest rate of a maximum of 0.3% and repayment periods of 40 years including a 10 year grace period) from the Korean Government up to US\$ 300 million from 2016 to 2018. This is in addition to the US\$ 290 million pledged during the past three years from 2013 to 2015.

The Korean Government hopes that EDCF projects will create opportunities to share Korea's development experience with Sri Lanka and transfer Korea's technology and expertise, rather than just providing financial aid. In this respect, we are keen to cooperate closely with the Sri Lankan government and identify projects which would serve to deepen mutual cooperation in the fields of green growth and ICT where Korea has a comparative advantage".

Q. As Sri Lanka is one of the largest beneficiaries of the Korea International Cooperation Agency (KOICA-International assistance and development agent of the Republic of Korea), what is the assistance that Sri Lanka is currently receiving? "Currently, there are seven KOICA projects which are underway in Sri Lanka, including the Establishment of the National College of Education and Technology Teacher Training System, the Advanced Traffic Management System (ATMS) in Colombo, the Ocean University project, Sri Lanka's Forensic Science Capacity Building Project, the Maternal and Newborn Health Care Strengthening Project in Matara and the Child Friendly Primary Schools project in the Northern Province of Sri Lanka.

Another major activity of KOICA is its volunteer program, known as 'World Friends Korea', through which a total of about 600 volunteers have been dispatched all around the Island so far. Currently, about 70 volunteers are working in various sectors, including Korean language and early childhood education and vocational training in ICT, to name a few".

Q. What are the future plans of the Korean government in cooperating with Sri Lanka? "This year, we will be celebrating the 40th anniversary of the establishment of diplomatic ties between Korea and Sri Lanka. As we mark such a meaningful milestone, greater efforts are being made to further strengthen the ties between our two countries in various areas of mutual interest. As part of these efforts, the Embassy is planning to host various events and programs including high-level exchanges, Korean product exhibitions, and an open forum to review the Employment Permit System. A range of development projects conducted by KOICA and Korea Exim Bank will also be further advanced with the active cooperation between our two governments".

Q. As the majority of the Sri Lankan youth are exposed to Korean culture and frequently visit Korea, is the Korean Embassy implementing knowledge sharing programs or cultural events to strengthen ties between the two countries? "I believe that the deep understanding Sri Lankan youth have of Korean culture and society is largely a result of the global phenomenon of "Hallyu" or "the Korean wave"—that is, the unprecedented popularity of Korean pop music and TV dramas.

Apart from this, Korean dramas broadcast on Sri Lankan TV channels have also greatly contributed to deepening the love for Korean culture among the Sri Lankan public.

In July last year, the 'Korean Cultural Festival', was successfully held with an audience that totaled around 1,500 people.

Last October, the Embassy and the Korea Foundation also held the Korean Film Festival at the National Film Corporation (NFC) Theatre, which screened four films over four days in partnership with the NFC.

I believe that the success of such events serves to demonstrate that public diplomacy plays an important role in deepening mutual understanding between countries, which can lead to closer ties and deeper trust in the political and economic fields. And marking the 40th anniversary of the establishment of diplomatic ties between Korea and Sri Lanka, we will host a variety of cultural events throughout this year".

INTERVIEW WITH AMBASSADOR OF SOUTH KOREA

Q. Are there any lessons from South Korea's economic experience that Sri Lanka could emulate? "I personally think that investment in human resources, Koreans' substantial sacrifices for the next generation, a strong leadership and a can-do attitude, are the main factors behind Korea's miraculous achievements in economic development.

Among the various measures taken to rebuild the country after the Korean War, education emerged as the highest priority of the nation. This dedication to education produced a highly trained workforce that would later become the optimal input of human resources for implementing every phase of our economic development policies.

Also, like the migrant Sri Lankan workers who contribute to the growth of the Sri Lankan economy from all corners of the world, Korean miners and nurses who went to West Germany in the 1960s sent their earnings home and the Korean Government was able to obtain commercial loans by pledging these funds as collateral. The dedication and sacrifice of Korean workers for future generations provided the country with the initial capital necessary for national development.

Another key element in Korea's economic growth has been the strong leadership demonstrated by the government. In every phase of economic development, the Korean Government formulated successive mid-and long-term national development plans and demonstrated strong leadership in consistently implementing them.

Lastly, the strength of the Korean economy lies in its ability to turn a crisis situation into an opportunity. When the world economy suffered from skyrocketing oil prices due to the Middle East War in 1973, Korea maximized on the opportunities presented by the construction boom of oil money in the Middle East. The Asian financial crisis in 1997 also presented an opportunity for Korea to embark on economic reforms. Through such efforts, Korea restructured itself into a competitive economy which is now able to survive in the rapidly changing global market environment characterized by unlimited competition.

In the case of Sri Lanka, I believe that the country is now at a turning point in its process of national reconstruction. When Sri Lanka's leaders, with a clear and unwavering vision, cooperate with its citizens to rebuild the nation and develop the economy, Sri Lanka will truly shine as the Pearl of the Indian Ocean. As a true friend and partner, Korea stands ready and willing to provide its full support to Sri Lanka to achieve this vital goal".

Q. How far has the concept of organic agriculture found prominence in Korea? "I think most Korean people understand organic agriculture as a sustainable industry which produces safe agricultural and livestock products, while preserving the environment of the agricultural eco system through non-use or minimal use of chemical materials such as pesticides and artificial fertilizers. Statistically, the total transaction volume of environment-friendly agricultural products (organic and non-pesticide) in Korea is worth US\$ 1.11 billion as of 2015. The transaction volume of grains is valued at US\$ 476 million, accounting for 42.8% of the total eco-friendly agricultural products.

In fact, the per capita supply of environment-friendly agricultural products was on a steady rise from 2000 to 2010, reaching 23 kg in 2010, a record high figure, but has since declined, reaching 8.9 kg in 2015. The decline in purchasing organic agricultural products resulted from the price of organic products being approximately 1.7 times higher than those of non-organic produce in Korea, the credibility of the certification system, unstable supply and difficulty in finding proper stores.

Since 2015 however, the government has been implementing a proactive policy to boost eco-friendly farming by improving the certification system, expanding the distribution system, stimulating consumption, reinforcing the production infrastructure, and stabilizing the supply of organic farming materials. Thanks to these efforts, the organic agricultural product market is expected to continuously grow to US\$ 1.34 billion by 2017, US\$ 2.20 billion by 2020, and US\$ 3.48 billion by 2025".



Q. Are there efforts underway by Korea in supporting Sri Lanka with regard to organic agriculture? "To support agricultural development in Sri Lanka, Korea's Rural Development Administration (RDA) under the Ministry of Agriculture, Food and Rural Affairs, established the Korea Program on International Agriculture (KOPIA) Centre in Kandy in December 2011, in cooperation with the Ministry of Agriculture of Sri Lanka.

When it comes to organic agriculture, the KOPIA Centre has been carrying out the ANSOFT (Asian Network for Sustainable Organic Farming Technology) project by three phases, together with 9 Sri Lankan officials/researchers from the Horticultural Crops Research Development Institute, Department of Agriculture (HORDI). Currently Ms. N.R.N. Silva is in

charge of the cooperative project, and it is financially supported with US\$ 10,000 per year by the Asian Food and Agriculture Cooperation Initiative (AFACI), which is a multi-lateral cooperation body to improve food production and realize sustainable agriculture.

The Centre successfully completed the first and second phases of the project in 2016, aimed at sharing the technology of organic agriculture and establishing an organic agricultural model village. During the third phase spanning 2016-19, the Centre is reinforcing the model village to operate organic demonstrations in vegetables, fruits and rice (vegetables-focused) while transferring organic agricultural technology to the local farmers regarding Soil Fertility Management, Disease-Enduring Variety Selection, and Integrated Pest Management. The Centre is also planning to further promote the scope of its work and link Sri Lankan farmers to commercial markets afterwards. Apart from this, there has been active cooperation between the private sectors of our two countries as well, to propagate environment friendly, organic agriculture in Sri Lanka. For example, a Korean Company by the name of Hyosung ONB has made an investment of US\$ 5 Million in Sri Lanka in the year 2007 on a BOI approved enterprise to produce and export organic fertilizers. The Company has an illustrious history of over 20 years in Korea and currently is a market leader in its field with five factories operating in Korea and one facility opened in Sri Lanka.

The Factory in Sri Lanka specializes in producing fully automated, toxic free, pelletized fertilizers made of 100% natural raw materials, which are exported to countries such as Korea, Japan, Pakistan, Maldives and the UAE. Apart from this, Hyosung ONB has also joined hands with the Sri Lankan government in its project 'Wasa Visa Nethi Ratak' (A country free of poisonous substances), which is implemented in accordance with the election manifesto of President Maithripala Sirisena, to ensure chemical-free farming within the next three years. As of today, 90% of Sri Lanka's traditional paddy cultivators are using the organic fertilizers produced by Hyosung ONB, which I believe is a beacon of hope for the healthy food industry as well as the preservation of environment of the island. I'm confident that this cooperation will continue to grow and thrive in the years to come since Hyosung ONB has already drawn blue prints to expand its operations in Sri Lanka".

Q. Do you think Sri Lankan exporters have a potential to tap into the Korean market with regard to organic products? "Korea has continued to implement its international economic policy to achieve further market liberalization since economic development began in full scale in the 1960s.

However, before looking into the potential of exporting organic products to Korea, I would like to briefly inform you of Korea's "organic processed food certification system." Exporters who would like to label or market their products as 'organic' to Korea should first receive a quality certification from Korea's National Agricultural Products Quality Management Service, unless their government has already made the organic processing food mutual agreement with a certification equivalent to the one recognized in Korea. The certification system has the purpose of protecting consumers by improving

the reliability of organic labeling, and to encourage good-intentioned businesses to supply high quality organic food. Korea has made the afore-mentioned mutual agreements with the US and EU member countries so far, which took effect from July 2014 and February 2015 respectively, but we are likely to gradually make these agreements with other countries as well.

When such an agreement is made between Korea and Sri Lanka, Sri Lankan exporters too could explore the possibility of tapping into the Korean organic market. And I am positive that the Korean organic food market will also continue to grow in line with the global market's rapid expansion. At the moment, organic farming is carried out in 81.2 million hectares in about 172 countries around the world, and the size of the global organic agri-food market has been rapidly expanding from US\$ 15 billion in 1999 to US\$ 80 billion in 2014, giving us hope for the future".

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CERTIFICATION OF ORGANIC PRODUCTS



Sumith Ponnamperuma Managing Director Control Union Inspections (Pvt) Ltd.

For some decades, the production and the processing of organic agricultural products have been standardized by national and international regulations. Organic is an environmentally friendly, culturally sensitive and economically viable sustainable agricultural system that maintains an efficient management system. The demand for organically produced food has been increased tremendously with the rise of health consciousness among Sri Lankan community.

"Organic" is a labeling term that indicates the food or other agricultural product has been produced through approved methods. The organic standards describe the specific requirements that must be verified by an accredited certifying agent before the products can be labeled "organic". Overall, organic operations must demonstrate that they are protecting natural resources, conserving biodiversity and using only approved substances.

Organic Certification allows a farm or processing facility to sell, label

and represent their products as organic. The Organic brand provides consumers with more choices in the marketplace.

The Organic Standards describe how the word "organic" and the organic seals can be used on food, feed or fiber products. The use of the term 'organic' and its related logos are strictly controlled by the scheme owners through accredited certification bodies. These clear regulations create entrepreneurial opportunities for producers and processors that want to capitalize on consumer growth in the organic sector. Organic regulations are formulated based on guidelines or basic standards provided by the International Federation of Organic Agriculture Movements (IFOAM) and Codex Alimentarius.

Becoming certified organic helps producers and handlers by allowing them to have premium prices for their products, by supporting local economies and to market products to consumers. Being certified organic also leads to access fast-growing local, regional and international markets.

CERTIFIED ORGANIC PRODUCT

A product that has been produced, processed, and/or handled and labelled in compliance with organic standards and certified accordingly.

WHO CAN GET CERTIFIED?

PRODUCERS PROCESSORS HANDLERS TRADERS OF AGRICULTURAL PRODUCTS

WHAT CAN BE CERTIFIED?

EEC No. 834/2007 & 889/2008

- Unprocessed agricultural/animal products
- Processed agricultural/ animal products
- Processed agricultural products/ feed
- Vegetative propagating material and seeds for cultivation

USDA (NOP)

JAS

- Beverages and foods, oils and fats
- Agricultural, forestry, livestock and marine products
- Products manufactured or processed with such products as materials or ingredients

Production or handling operation or specified portion of a production or handling operation that producers or handles crops, livestock, livestock products or other agricultural products that are intended to be sold, labelled or represented as "100 percent organic", "organic" or "made with organic".





The European organic food label has been mandatory throughout the EU since July 2010. This Regulation is in force within the European Union countries, but also sets criteria for importing organic products from outside the European Union.



originally certified only horticultural products such as fruit and vegetables, livestock feed & processed products of horticultural origin. All those materials exported to Japan must be compliant with Japan's Agricultural Standards (JAS).



BIOSUISSE

BIO SUISSE

is the association of Swiss organic farmers and the Bio Suisse quality seal "the Bud" is by far the most important seal for organic products in Switzerland.



DEMETER

Bio-Dynamic Certification is used over 50 countries to verify that Bio-Dynamic products meet international standards in production and processing.



USDA ORGANIC

seal certifies site-specific conditions by integrating cultural, biological and mechanical practices that foster cycling of resources, promote ecological balance, and conserve biodiversity. In order to sell, label or represent products as organic in the US, operations shall be certified under this seal.



Standards express holistic approach, sustainable management, nature conservation and climate protection in actual practice, preserving and maintaining the soil, air and water, as well as consumer protection. This



Standards also fulfill the EU standards for organic production in the regulations (EC) No 834/2007, (EC) No 889/2008. It encompasses more areas, such as certification of restaurants and industrial kitchens, fishing and textiles.



organic certification requires ingredients to be certified per the Korea organic standard for agricultural produce as defined in the Environmental Friendly Promotion Act (EFAPA). Control Union Certifications (CUC) is accredited for the major organic standards, making it possible for its clients to access organic markets around the world.

CONTROLUNION CONTROL UNION INSPECTIONS (PVT) LTD.

Control Union is an independent, internationally and locally accredited inspection and certification body with dedicated laboratories and having its headquarters in the Netherlands. In order to better accommodate the needs of the national and international client base, the company has rapidly expanded and grown its network. Presently, the company has over 3500 staff members working across the global network of offices represented in more than 60 countries. Through innovative solutions, specialized services and product knowledge, Control Union (CU) offers complete packages for certification and inspection services with an open mind towards clients' demands. CU offers a global

one-stop-shop for a wide range of certification programs. CU certificates are accepted by authorities in nearly every country. CU understands the importance of impartiality and objectivity, and how to professionally manage conflicts

of interest. From the beginning, sustainability has been the focus of

CU certification services. Collateral Services are efficient tools that are widely used by producers, traders, distributors and financial institutions. CU Collateral Services can help reduce risks and facilitate access to credit. At Control Union,

inspection, sampling and supervision expertise is used to support clients in their contractual

obligations, and for meeting regulations or performance criteria.

CU inspect a wide range of commodities such as coal, grains, also de voortable oils sugar

oilseeds, vegetable oils, sugar, molasses, rubber and by products. From controlling risk to keeping an eye on logistics, Control Union can help you get the job done.

FOOD SAFETY CERTIFICATION

Food safety certifications are needed to be implemented to meet regulatory requirements, retailer requirements and clients'. Following food safety certifications are provided by the CU.

- ISO 22000
- British Retail Consortium (BRC)
- Good Manufacturing Practices (GMP)
- HACCP & HACCP (SLS 1266)
- FSSC 22000

SYSTEM CERTIFICATION

ISO 9001 standard provides a comprehensive model for quality management systems that can make any company competitive. ISO 14001 is an internationally recognized standard developed primarily to assist companies in reducing their environmental impact. ISO 22716 Ensures cosmetic good manufacturing practices. ISO 50001 helps organizations monitor and improve their energy efficiency through the implementation of an energy management system in their quality systems.

ENVIRONMENTAL SERVICES

To begin to understand the complete direct as well as indirect environmental impact of organizations, companies require integrating a footprint assessment organization-wide, covering all internal and external activities. CU experts will help to achieve sustainable ambitions through assessing environmental footprint at corporate level, Footprint Reduction Programs and following certifications.

- Product Environmental Footprint
- Corporate Environmental Footprint
- Carbon Neutralized
- GRI -Global Reporting Initiative

GOOD AGRICULTURAL PRACTICE

GLOBAL G.A.P. standard is designed to reassure consumers about how food is produced on the farm ensuring food safety and traceability, minimizing detrimental environmental impacts of farming operations, reducing the use of chemical inputs and ensuring a responsible approach to worker health and safety, as well as animal welfare.

TEXTILE CERTIFICATION

The textile industry is often associated with environmentally harmful processing, sometimes even with social problems such as child labor. Public awareness and the demand for certified products is growing. CUC has played a decisive role in assisting the textile industry to set up sustainability requirements in the form of standards. CU offers following standards applicable to the textile industry.

- Global Organic Textile Standard (GOTS)
 - Global Recycle Standard (GRS)
- Organic Content Standard (OCS)

- Organic Exchange (OE) Standards of the Textile Exchange
- Recycled Claim Standard (RCS)
- Content Claim Standard (CCS)
- Verification of Higg Index

FORESTRY CERTIFICATION

FSC[™] label ensures that the forest products used are from responsibly harvested and verified sources. FSC certification helps to protect your brand and reputation and it allows you to access highly environmental sensitive markets. PEFC Standards seek to transform the way forests are managed globally- and locally- to ensure that all of us can enjoy the environmental, social and economic benefits that forests offer.

ORGANIC LATEX CERTIFICATIONS

GOLS "Global Organic Latex Standard" covers the requirements of processing, traceability, separation, identification, record keeping, quality control, environmental management, social compliance, labeling and distribution of semi-processed final products made from certified organic raw rubber latex (tree sap).

FAIR TRADE CERTIFICATIONS

Fair Trade Sustainability Alliance is to improve farmers', producers' and workers' quality of life through the practice of fair trade and sustainable community. Fair Choice is guarantee that enterprises are committed to sustainable development & improvement of social conditions, meeting the demands of conscious consumers whose numbers are increasing in every country, & thereby creating new market possibilities.

SOCIAL COMPLIANCE CERTIFICATION

SMETA "SEDEX Member Ethical Trade Audit" is a comprehensive platform that enables the effective management of complex global supply chains, leading to real business benefits organizations. ETI "Ethical Trading Initiative" is a Ground-breaking alliance of companies, trade unions and voluntary organizations to improve the lives of poor and vulnerable workers across the globe. URSA "Understanding Responsible Sourcing Audit" is an audit protocol which enables an independent assessment of a supplier's performance and compliance against all applicable laws and regulations and the additional requirements of Unilever's Responsible Sourcing Policy (RSP).

Management of post harvest diseases of Organic fruits and vegetables



Professor Nimal Adikaram National Institute of Fundamental Studies, Hantana Road, Kandy





The control of post harvest diseases is generally achieved by conventional methods such as the use of synthetic fungicides, coupled with refrigeration. Extensive research has found that non-organic fruits and vegetables are more likely to contain fungicide residues than corresponding residues in organic produce. Many synthetic fungicides are believed to be undesirable to human health and environment.

Farmers who grow organic produce don't use conventional methods to fertilize and control diseases. Instead they use natural fertilizers to grow plants and crop rotation or mulch to manage diseases and weeds. Similar disease control measures that do not rely on synthetic fungicides need to be used in the post harvest phase of organic fresh produce. Within these methods are the application of biological control agents (BCAs), plant-based antifungal substances, physical methods and induction of natural resistance in fruits and vegetables. Appropriate disease control measures may have to be selected depending on the market to which the produce is supplied. For export purposes, more stringent diseases control measures would be needed to meet the requirements of certain markets.



RESISTANT VARIETIES

Easiest and the most logical approach for management of post harvest diseases is to select varieties resistant to major postharvest diseases. Resistant varieties are available in certain cultivars of example banana, mango and papaya and beans for certain post harvest diseases, for example to anthracnose, a most destructive disease under tropical conditions.

CARE IN HANDING AND FIELD HYGIENE

Reduction of pathogen populations in the field by removal of decaying residues of previous crop, diseased leaves, twigs, transition leaves could reduce field infections. Several important postharvest diseases originate from field infections in fruits and pod vegetables.

It is crucial to ensure that crops are harvested correctly and that only good quality produce is taken for marketing. Since some pathogens gain entry through wounds, the losses due to microbial spoilage can be avoided by careful handling and sound packaging techniques that minimize injury. Even small injuries can have large effects.

Removal and destruction of any damaged or decaying produce from the vicinity of fruit handling areas is important to reduce inoculum sources and prevent spread to healthy produce. Attention must always be paid to general sanitation and cleanliness of the orchard and handling equipment, containers and stores.

NON-RESIDUAL CHEMICALS

Adequate sanitation and disinfection during postharvest processes are vital components. Elimination of food-borne pathogens from harvested produce is essential to mitigate potential food-borne illnesses. Proper sanitation during handling can also minimize postharvest diseases and decay.

CHLORINE

Chlorine, a very potent disinfectant in its gaseous, is used in post harvest management as a disinfectant and sanitizer. Free chlorine may be found as hypochlorous acid and hypochlorite ion. At a pH of 6.5, 95% of the chlorine is in the hypochlorous form. Maintaining the water pH at this range provides the greatest disinfecting power. Chlorine may become bound to soil, debris, and other organic matter in the water and it may not be available for disinfection. To maximize the effectiveness of chlorine treatment, additional cleaning steps, pre-wash with brushes or sponges to remove debris or clear water rinse to remove soil, may be performed.

OZONE

Ozone is an alternative to chlorine for water disinfection. Ozone, through its action as an oxidizer rapidly attacks bacterial cell walls and thick-walled spores of plant pathogens. Use of ozone, however, does require a greater capital investment than the use of chlorine as ozone must be generated on-site, requiring ozone-generating equipment.

PHYSICAL METHODS

In general the physical methods do not leave residues or drastically change the nutritional quality of fresh produce, though there are exceptions.

HEAT TREATMENT

Treatment of fruits with heat to a few degrees below the injury threshold has been known to eradicate or delay the development of infections by pathogenic fungi. Heat may be applied as vapour or hot air, by exposing the commodity or dipping in hot water for a particular exposure period. Liquid water is preferred as the heat transfer medium for most applications, although moist air can be of advantage in certain situations.

Immature mangoes are immersed in hot water at 52°C for 2-4 min to control development of fungal infections during ripening. Papayas are also treated with hot water as a single dip at 52°C for 10 min or sometimes as a double dip leaving about 10 - 15 min interval between each dip. Bananas are not normally subject to post harvest heat treatment. It is important to carry out heat treatment at precise temperature for a pre-determined time period. The temperature and the exposure time vary with the commodity and also within each commodity among varieties. Therefore it is necessary to determine specific temperature and

exposure times separately for each commodity.

In addition to directly inactivating fungal spores or superficial infections, heat treatment is also known to increase lignin in tissues reducing infection, accumulate phytoalexins in some fruits, pathogenesis-relates proteins (PR proteins) and heat-shock proteins (HSP) in certain fruits and vegetables. Heat treatment has the advantage as it is cheap and simple, no sophisticated equipment needed and possibility of integration with other methods. However, heat treatment may affect fruit ripening and is difficult to operate on a commercial scale.

COLD STORAGE

Refrigeration is perhaps the most common means of storage of fresh produce. By properly designing and managing a cold store facility, metabolic activities, ripening, moisture loss and spoilage could be retarded. With few exceptions, the metabolism of microorganisms is reduced at refrigerated storage temperatures. Refrigeration, however, rarely kill pathogens and when produce is returned to ambient conditions rotting may develop rapidly.

BIOLOGICAL CONTROL AGENTS

Microbial control of postharvest diseases has been extensively studied. Several commercial products are already available in the west and many others will be available in the world in future. All biocontrol agents currently registered for postharvest applications control fruit diseases caused by fungi that infect through wounds, made during or after harvest. Although for some fruit, such as citrus, wounds are the main mode of entry for post harvest rotting, many post harvest diseases of tropical and subtropical fruits develop from latent infections occurring in the field long before harvest. Performance of biocontrol agents cannot be expected to equal that of synthetic pesticides.



Biocontrol could be integrated with physical treatments such as heat, Modified Atmosphere storage, natural fungicides & food grade preservatives etc.

PLANT-BASED ANTIFUNGAL AGENTS

Plants contain substances or volatiles exhibiting antifungal and antibacterial properties. Plant-based antifungal substances have been tested against certain post harvest diseases, especially on fruits. Latex from papaya (Carica papaya L.) has been effective in protecting the exposed crown from crown rot disease of de-handed bananas caused by several fungi. Naturally occurring waxes could be applied on harvested fruits and pod vegetables. Surface application of waxes may improve their appearance and reduce moisture loss, but they commonly have little effect in reducing diseases, unless an antifungal agent in included in it.

PLANT DEFENCE INDUCERS

Plants have evolved natural mechanisms to protect themselves from invading pathogens and fruits are no exception. A variety of natural disease resistance mechanisms have been shown to occur in many fruit species particularly when they are unripe. These include preformed and inducible substances with antifungal/ bacterial activity. These mechanisms that operate in unripe fruits decline during ripening enabling pathogens to develop ripe rots.Natural disease resistance of horticultural fresh produce could be enhanced or induced bypre- or postharvest application of defenceelicitors such as salicylic acid, chitosan or silicates. Plant defence activators are now available and registered in certain countries e.g. Bion[®]. These have been shown to induce defences in certain fruits and vegetables and be effective in protecting fruit from postharvest fungal pathogens.

POST HARVEST ELICITOR TREATMENT

Various natural defence mechanisms are in place in developing fruits. Various treatments that enhance or induce defences in fruits against post harvest pathogens are now available.



LANKA ORGANIC AGRICULTURE MOVEMENT ESTABLISHING ORGANIC FARMING IN SRI LANKA

produce more food, but it often

environmental costs tend to be

to man and nature. Thanks to

environmentally aware organic

health conscious and

produce has garnered

agricultural sector.

unprecedented popularity,

comes at a cost to the environment.

However, with organic agriculture,

lower and the benefits greater, both

consumers who have become more

transforming the future of the global

At its heart, organic agriculture aims to protect and conserve the land for future generations, produce high-quality food, ensure the return to traditional agricultural methods and maintain a harmonious balance with a complex series of eco systems. Organic agriculture which is enjoying resurgence across the globe as of recent times provides a holistic and philosophical approach to agriculture. Conventional agriculture may

The organic revolution

"Up until the 1980's most planters who were heavily into chemical agriculture were looking for a change after their exposure to different types of farming overseas and among them Denzil Soyza was one of the pioneers in introducing organic farming to the country in 1984. After having traveled extensively overseas and observing how organic farming was done, he was inspired to introduce organic agriculture to the country, as our use of pesticides and agrochemicals was far lesser than most countries. So, he converted his abandoned estate called Needwood Estate in Haldummulla into an organic farm and later on, promoted the concept of organic agriculture at several Planters Forums, in an attempt to create awareness among other planters.

Years later, in 1986 he was looking for a way to send organically produced tea to the UK, and was in need of a certification that his products were organically grown. He then contacted the National Association for Sustainable Agriculture, Australia (NASAA) which offered a certification for organic produce. NASAA then sent one of their Sri Lankan employees Dr. Ranil Senanayake, who was then working as an inspector to carry out the certification process. This was the start of Sri Lankan organic agriculture; officially. But organic agriculture has been part of our farming system for centuries. It was in the 1970's when chemical based agriculture was introduced to Sri Lanka that it spread across the dry zone and Mahaweli irrigated areas, changing our traditional agricultural practices forever."

Organic exports a new way forward

"In the 1990's traditional exporters showed interest in transforming their chemical based farming systems to organic, and there are several companies who began pioneering this trend, paving the way for others to follow. The government, understanding the prospects that organic agriculture has in the international market, took the initiative to support the sector by establishing a division called the global affairs division under the environmental ministry. The organic product council was also established. Meanwhile, former agriculture minister S.B Dissanayake put forward the idea of changing the research policy regarding agriculture, with a strong focus on international markets. This change in policy was instrumental in exposing government officials to different types of farming methods across the world, helping them understand the importance of non chemical based agriculture."

Thilak Kariyawasam, President of Lanka Organic Agriculture Movement (LOAM) and Managing Director to SriCert- Organic Certification Body provides an insight into the development and spread of organic agriculture across Sri Lanka, and the role LOAM continues to play in taking the message of organic farming across all sectors in the country.

"Later on the EDB was also brought into the system. With the EDB's intervention we were able to obtain the support of the EU in the form of a project that saw the collaboration of the EDB and the agricultural ministry. This project went on for three years and during this period we developed the standard for organic agriculture in the country and looked for ways to establish a certification system to authenticate organic produce which would be accepted in the EU. From the year 2007 we worked towards getting an equivalency agreement and in 2013 we succeeded by obtaining cabinet approval for a separate unit under the EDB to control the organic sector."

Pioneering the organic cause

The Lanka Organic Agriculture Movement began in 1994, and the first president of the movement was Dr. Herath Manthrithilake. The goal of establishing our movement was to work towards mobilizing politicians, officials and other stake holders towards policy change regarding organic agriculture. Thereafter, we understood that converting people towards organic was more important, and that this would ensure that changes to policy would follow through. From 2003 for nearly a decade we spent our time and resources to train

people across the country. We had a training centre in Galaha called Gemi Seva Sevana, where we trained people from various sectors, including university students, farmers, government officials, consumers and other stakeholders about organic agriculture".

Establishing standards for organic produce

"We also worked really hard to take Sri Lankan organic agriculture to the international level. In 2007 we focused our efforts on establishing an organic standard for the country and therefore, we promoted the inclusion of the organic standard into the standard institute. Our movement was also able to obtain a national standard for organic production and processing in 2009. Also, with the intention of supporting exporters, together with the EDB we have trained new comers into the business of organic exports, encouraging them to look to international markets for opportunities."

Embracing an organic lifestyle

"Of recent times we have also focused our attention on local consumers and we have been successful in mobilizing supermarket chains in prompting organic produce. The first step of this process was converting small and middle scale farmers with the support of Sricert. Sricert which is an institution under our purview provides an organic certification for local farmers, based on the SLS standards.

This helped local farmers promote their produce in supermarkets. What we then realized was that consumers and even the employees working the supermarkets were unaware of what organic produce was, and most often organic produce was mixed with other non-organic produce. To help people understand the difference between organic and non-organic, we studied communication efforts carried out by countries like India, Philippines and Thailand and realized that packaging that differentiates organic and nonorganic produce was the solution to this problem. So, now all organic produce is being packaged and sold in supermarkets, creating a distinction between organic and non-organic products. It is encouraging that sales of organic produce in supermarkets have increased over the years, as people are more aware of the benefits of organic produce and therefore, we as a movement are working towards maintaining this market for organic products and sustaining this system."



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coMix Bio-Fertilize

ORGANIC AGRICULTURE AND BIO FOODS



Dr Sarath Ranaweera Chairman of Bio Foods (Pvt) Ltd.,

Sri Lanka has a high degree of biodiversity and is blessed with nature gifted most suitable climatic conditions for having sustainable natural agriculture systems. Organic agriculture is an environment friendly, culturally sensitive, socially just, and economically viable and a sustainable & efficient production system. Organic production has own standards, regional specific regulations and therefore internationally accredited third party certification is essential. The Organic food market is supported by consumers globally and is in ever-growing demand since last few decades.

The agriculture practices that have been carried out for many years with indigenous knowledge of our traditional farmers have contributed tremendously for the development of sustainable agriculture in Sri Lanka.

Many well balanced eco systems including the Kandyan forest garden system play a major role in protecting environment and maintaining biodiversity in many parts of our beautiful island. Most of the lands that were identified as ecological farms, have now been certified as organic according to international standards.

Many developed countries have set up the minimum requirements as organic regulation and therefore products are checked at customs with relevant documentary proofs to support the claim the product as organic.

WHY ORGANIC PRODUCTION IS IMPORTANT TO SRI LANKA

The basic value addition by converting products from conventional or ecological varies from 30% to more than 100% depending on the product. Sri Lanka as a country with full of natural resources has huge potential to fulfill the considerable portion of ever-growing market demand for organic products in the world. This is definitely an encouraging indication to any Government to support Organic Sector. This target has been achieved by few organic companies with their individual effort made for many years. The Export Development Board of Sri Lanka has immensely assisted to promote organic sector in Sri Lanka by assisting the private sector to seek new markets for organic products.

Protection of environment has become a major indirect contributory factor of organic agriculture. However extreme care must be taken to prevent the contamination of heavy metal and clinical waste when urban waste is converted as soil inputs for the use in conventional agriculture.

The investment required in the future to clean our soil and water resources will be very significant. Environment polluted by us today for our short term benefit will have to be restored by our future generation at their cost for their survival. Therefore it is logical that the cost for cleaning the environment needed in the future has to be added to the cost of conventional production. Promotion of organic agriculture minimizes the health problems and also results in no capital investment to clean the environment.







ORGANIC AGRICULTURE AND BIO FOODS 33

Organic labeling needs international certification for Sri Lankan products. However, the cost of international inspection attributes extra overhead cost to the cost of production and therefore measures taken to reduce COP have become a necessity. A long-term professional approach will help to generate more foreign exchange whilst our environment is being protected.

Organic Labeling

The EDB is now initiating action for Sri Lanka to get the recognition and equivalent status for local certification or to enter into the Third Country Registry enabling local inspection bodies to certify products as organic which will be accepted by any international community.

Recognized local certification system will also enable our producers and exporters to offer organic products at competitive prices in international markets. The main benefit from lower certification cost could be transferred to the farming community by giving them reasonable higher prices against conventional market prices along with the forward contracts. The organic food production for local market will result in generating a healthier community in Sri Lanka.

BIO FOODS...

Bio Foods (Pvt) Limited (BF), (www.biofoodslk.com) is a dedicated Organic and Fairtrade company established in 1993 that exports Organic and Fairtrade Products such as Green teas, Black teas & Herbal teas, Spices, Traditional Rice varieties, Coconut Products, & frozen products to many developed countries.



Bio Foods is the world's first Fair-trade registered processor and exporter of organic spices and coconut products and is a member of the International Federation of Organic Agriculture Movement (IFOAM).



The company is based in Kandy with its processing centres scattered throughout the country, meeting international quality standards including BRC and customer requirements in processing and producing vast range of products sourced through farmers and producer organizations.

ECO PLANET PROJECT OF BIO FOODS...

Increasing the productivity of organic agriculture has now become a challenging commitment which was taken into consideration by Bio Foods. Having understood the major factor in improving the yield in organic agriculture, Bio

Foods has taken initiative in introducing Soil and Plant-input Project "Eco Planet Project".

Eco Planet is engaged in developing innovative products, new agriculture practices, new organic agriculture technology and knowledge to support the Sri Lankan agriculture community with the intension of assisting organic agriculture industry.

Organic plant protection substance helps certified organic agriculture with the use of new agriculture technology for better crop production. Isolating, growing, multiplication and product development form beneficial microorganisms extracted from local soils are practised in our own microbiology laboratory and releases them through the organic soil inputs for the better crop production.

We are registered under Ministry of Agriculture Sri Lanka (MOA/OFP/2014/1074) as an organic fertilizer producer and have obtained the organic certification as certified organic products by Control Union international certification body (No:CU829777).



GOALS OF THE PROJECT

Provision of total solution for organic soil and plant inputs requirements in Sri Lanka

Production of high quality "Organic Soil & Plant Inputs"

Provision of agriculture extension services and organic agriculture consultancy services.

Contribution for soil and plant sustainability through our products.

Provision of total laboratory services to the stakeholders to get the optimum higher yields through the organic agriculture practices The Organic Fertilizer which has been introduced by Bio Foods and now vastly used by many large scale estates and farmers provides following factors to the soil :



Improves soil physical, Chemical Biological characteristics



Restores of beneficial Microorganisms.



Enriches the soil health.



05

Moisture & nutrients retention.

Reduces chemical residues

SMALL FARMERS, FAIRTRADE AND BIO FOODS...

Being a Fairtrade pioneer in Sri Lanka, I have initiated organic and fairtrade farmer project in 1993 including the concept of small farmer organization that has supported the farmers to convert their lands to organic agricultural practices. This also had a significant impact to the society for better environment, economic sustainability, and social well-being of farmers and their families.

I was awarded "The fairest fair trader of the world"by the prestigious Fairtrade Labeling Organization -International, Germany for the year 2014.The small organic producer association where the leadership has been given by me as the President has been adjudged as the best small farmer organization in Asia by FLO international for the excellent contributions made towards small farmer socio economic development.



We were recipient of Presidential Export Awards -2015 Highest Value Added Exporter - Organic Products Sector.

The company generates more than LKR 3 billion foreign exchange annually from export of organic products to European and North American countries maintaining high value addition to top quality Sri Lankan raw materials.

The company is also in the process of making propaganda so that the Sri Lankans are made aware of the benefits of consuming Organic and Ecological products, through media and other activities.

It is our responsibility to protect mother earth with cleaner air & water, rich soil & greener bio-diverse environment for the sustainability and survival of

future generation with the concept of "ORGANIC AGRICULTURE".





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GOOD MARKET SUPPORTING SRI LANKA'S GROWING ORGANIC MOVEMENT



Organic agriculture has been an inherent part of Sri Lanka's rich agricultural history.

Indigenous knowledge was copiously used to create a cropping system suited for local conditions while non chemical practice was a standard procedure in home based agricultural farming.

Sustainability was and has always been at the heart of farming in Sri Lanka; therefore, organic farming which is basking in its new found popularity across the globe is not a novel concept when considering the local farming community.

With interest towards organic produce showing an upward trend over the years, Sri Lanka too is witnessing resurgence in the enthusiasm towards organic farming. IN THE FOREFRONT OF CREATING A LINK BETWEEN FARMERS OF ORGANIC PRODUCE AND CONSUMERS WHO PASSIONATELY EMBRACE SUSTAINABLE LIVING PRACTICES IS THE **GOOD MARKET,** A PLATFORM THAT PROMOTES PRODUCE THAT IS GOOD FOR THE PLANET AND THE PEOPLE.



Dr Amanda Kiessel one of the Good Market co- founders, says that the idea behind the Good Market was born out of the need to connect ethical producers with ethical consumers.

What began as an initiative with 32 vendors is now a flourishing movement with almost 300 vendors from across the country, who promote a range of environmentally conscious, sustainable products in Colombo and Galle.

Sri Lanka has long held a reputation for its organic farming practices and there are several trail blazing Sri Lankan companies that have been in the forefront of exporting organic produce since the 1990's. Therefore, the country has built a great identity for quality organic produce, in comparison to other countries in the region.

"Sri Lankan products have less contamination and are of high quality, but these products were never available for the Sri Lankan consumer. The Good Market therefore, became a platform, for these companies who only exported their products to make it available here in Sri Lanka for local consumers," noted Dr Kiessel.

Speaking about the role The Good Market plays in facilitating both large and small scale organic farmers she noted "There were lots of small scale groups that produced for the local market but didn't have an opportunity to reach the right kind of consumer. The Good Market became a way for them to sell their products. When the Good Market started, most people thought that only Sri Lankans who lived overseas and expatriates will be interested in this concept, but when we started at Diyatha Uyana in Battaramulla nearly all the customers were local. Later, even supermarkets became interested in selling organic produce after they realized that there was a market for it. With this change in attitude towards organic produce, the goal of making organic produce accessible and affordable for all is starting to become a reality."

According to Dr. Kiessel the export of organic produce is one of the

channels that Sri Lanka can capitalize on in the global arena. Even though it is difficult to compete with countries like China and India on pricing of commodity products, there is plenty of opportunity in promoting niche products.

She elaborated "Producing niche organic products is one area where Sri Lanka has a competitive advantage because it has a history of producing products that are of high quality. And, it's encouraging to note, that the Export Development Board is supporting the drive to



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GOOD MARKET

promote locally manufactured organic produce, by establishing a National Organic Control Unit which streamlines a certification process for organic products. This in turn, makes it easier for Sri Lanka's certification standards to be recognized by other countries, opening up new avenues for producers to venture into new export markets."

She also pointed out "The certification process will give Sri Lanka more recognition than it already has once the standards are in place in the country. Initially, when the organic sector was getting started most products were sold on a commodity basis. Therefore, even though it was produced in Sri Lanka it was sold in bulk and the branding was put in America or Australia etc. Due to this, a large portion of the value of the product was kept out of the country. We have seen a change now with most companies who have an expertise in the export of organic produce, developing their own brand and being at the helm of creating value added products which are of international quality. This is a huge step forward, because they get to tell their own story, and promote Sri Lanka in the process."

Yet another initiative that is changing the realm of organic farming in the country is the strengthening of connections between key stakeholders such as the EDB, Ministry of Agriculture, The National Organic Coordinating Committee, research groups such as The Centre of Agricultural Research Policy and university participants who meet often and exchange ideas and share experiences with each other. This process of networking between those involved in the development of organic agriculture is a stepping stone towards taking the industry forward.

Dr. Kiessel also spoke about the Sri Lanka's own Organic Participatory Guarantee System or PGS which has been in place 2013 and how this system supports in the development of organic farming.

"The minimum standard for farm products at Good Market is organic certified. When the Good Market first started, there were many small scale farmers who had been doing organic for years, but it didn't make financial sense for them to get a third-party export-level certificate because they had small landholdings and no plans to export. Many countries have developed alternative certification systems for local markets where producers and consumers are able to meet. We learned from these experiences in different countries."

The Organic Participatory Guarantee System, or PGS, uses international organic standards from the International Federation of Organic Agriculture Movements. Producers and consumers volunteer their time to participate in monitoring visits and ensure the products are organic. This helps keep costs down and make organic food more accessible and affordable.

Through the Organic Participatory Guarantee System, farmers sign a promise that they are meeting all the required standards and allow for inspection from a technical leader and volunteers, creating a transparent link between the farmer and consumer.

Speaking about the Participatory Guarantee System Dr. Kiessel said "This becomes a great stepping stone for those looking to export their produce. If small scale farmers get the experience they need in keeping basic records and managing their land organically, then it is easy for them to take a step forward to export in the future. This builds a pipeline for farmers who can eventually export if they wish to."



SEAFOOD INDUSTRY in Sri Lanka

Fisheries sector in Sri Lanka accounts for 1.5 percent of GDP at the current market prices in 2015. Total fish production in 2015 amounted to 520,190 metric tons around 272,140 active fishermen have engaged in both marine and inland fisheries and 1,023,780 members of their household depend on the income gained through fishing and related activities.

Sri Lanka has a well-established fishery industry. There are around 14 deep sea fishing harbors in Sri Lanka. The sector has shown a growth rate of 5% in the last 5 years and the key buyers remain as UK, France, Italy, Japan, Netherlands and USA.

The main product categories are Tuna, Sword tail, Marlin, and other fish species exported in fresh, frozen filleted form.

Sri Lanka has emerged as a quality tuna exporter -predominantly yellow fin and big eye species to international markets. These include sashimi quality tuna, tuna loins, fresh tuna steaks, tuna topping and tuna saku blocks, etc.

Other varieties of Sri Lankan seafood relished by the world are the ingredients to culinary seafood heaven; lobsters, crabs, squid, cuttlefish, shark fin, beche de-mer and fish maws are famous in the international seafood market due to their quality taste and texture. SEAFOOD PRODUCT SECTOR PLAYS AN IMPORTANT ROLE IN SRI LANKA'S SOCIAL AND ECONOMIC LIFE. END OF THE CIVIL UNREST DETAINED THREE DECADES IN THE COUNTRY, FISHERIES SECTOR HAS A SIGNIFICANT SCOPE TO **INCREASE THE LEVEL OF** CONTRIBUTION THROUGH EXPLOITING HIGH SEAS FOR TUNA FISHING & VALUE ADDITION.



As a developing country Sri Lanka uses the sustainable seafood concept which helps to protect the environment. Making sustainable seafood choices is about supporting solutions for healthier oceans. Most of the Sri Lankan seafood exporting companies have obtained the "Friend of Sea" certificate for sustainability.

Fisheries sector has generated US\$ 170 Mn of export earnings in the year 2016 and it has accounted for 1.6 percent of total export earnings.

Sri Lanka's fish exports to the European Union make up 68 percent of its total fish exports. The remaining 32 percent is sent to the United States, Japan and other non-EU countries. Sri Lanka is one of the largest seafood exporters to the EU. A country must be on the list of EU-approved countries in order to export fish to the EU market. The approval is granted based on equivalence of public health and control systems. In other words, the country must be able to ensure that the fishery products exported meet the strict EU health requirements. Sri Lanka is a EU approved country as well as Russia. Although, most of the countries do not have the opportunity to export seafood to Russia, at present 19 seafood companies in Sri Lanka have qualified to export seafood to Russia. Ban on fishery exports to the EU was lifted in April 2016 which is a significant achievement of the Sri Lanka seafood industry.

GO DEEPER WITH THE NEXT ISSUE...







CANADA – SRI LANKA BUSINESS FORUM AND B2B MEETING PROGRAMME



The EDB organized a Business Forum followed by a B2B Meeting Programme between the 21 member Canadian trade delegation and Sri Lankan companies on 13th March 2017 at the EDB Auditorium.

The Canadian Delegation was headed by Hon. Yasmin Abdulla Karim Ratansi, Hon. Chandrakanth Arya and Hon. Irene Mathysen, members of the Canadian Parliament.

Around 75 in the sectors of Processed Food, Coconut Kernel Products and Tea, Real Estates and Construction, Electronic Products, Health Care Products, Gem & Jewellery, Auto Parts and Scrap Metal participated at the B2B meetings.



NATIONAL PROGRAMME TO ESTABLISH 2000 EXPORTERS LAUNCHED RILANKA S

BE AN #EXPORTCHAMPION



EXPLORE EXPERIENCE ENTERPRISE : Setting up ENTER EXPORT

: Opportunities : How to : Global Market : International

The Economic Vision of the Government is to transform Sri Lanka into a vibrant and prosperous nation through export led growth.

Keeping in line with the above, the Government launched the National Programme to nurture 2000 entrepreneurs to become exporters during the years 2017-2020 from the Northern Province attended by over 250 Entrepreneurs on 23rd March 2017 at the District Secretariat Auditorium, Jaffna. Based on an initial study undertaken by EDB with the respective Government Officials, Chambers, Cooperative Councils and the Professional Associations in the Northern Province based on the human & physical resources available in the province revealed that most potential sectors would be processed food, life-style, fisheries and ICT/BPM. The market research carried out by the EDB also has identified those sectors for further expansion in international markets.

The programme included:

Awareness Seminar

Eminent resource persons from reputed exporting companies representing Processed Food, Life-style, Fisheries and ICT/BPM sectors made presentations to encourage and attract new entrepreneurs to venture in to those sectors.

Export Products Exhibition

Products of 12 reputed export companies were displayed on selected sectors, while products of 14 Northern Province Entrepreneurs representing the same product sectors were displayed under "Products of Northern Province" to advice on how to bridge the gap for those products in entering the international markets.

Business Clinic

Business Clinic was conducted with the participation of Resource Persons from Institutions engaged in Industrial Development, Technology Transfer, R & D, Quality Certifications and Standards.



INTERVENTIONS IDENTIFIED UNDER THIS INITIATIVE

- Encouraging domestic enterprises to invest in export industry.
- Encouraging foreign investors to set up Joint Ventures (JVs).
- Connecting to the global value chains.
- Creating new markets for Sri Lankan exports through FTAs.
- · Empowering the youth by creating new and productive jobs and livelihoods.

The Sri Lanka Export Development Board (EDB) under the auspices of the Ministry of Development Strategies and International Trade has been entrusted to implement the programme.

STATISTICS Summary of Export Performance January- December, 2016 (Provisional)

		Value in US \$ Millions				
Code	Product Sector	Cumulative Export Performance 2016(Jan-May)				
		2014 Jan-Dec	2015 Jan-Dec	% Growth	2016 Jan-Dec	% Growth
1	Agricultural Products	2698.96	2463.80	-8.71	2316.51	-5.98
1.1	Теа	1609.71	1324.52	-17.72	1252.24	-5.46
1.2	Natural Rubber	45.60	26.38	-42.15	32.88	24.64
1.3	Coconut	537.53	522.69	-2.76	547.63	4.77
	Coconut Kernel Products	271.18	285.24	5.18	293.14	2.77
	Coconut Fibre Products	175.65	157.13	-10.54	175.36	11.60
	Coconut Shell Products	90.70	80.32	-11.44	79.13	-1.48
1.4	Other Export Crops	506.12	590.21	16.61	483.76	-18.04
	Spices	234.22	339.18	44.81	263.94	-22.18
	Vegetables	24.74	25.32	2.34	23.74	-6.24
	Fruits	44.31	38.12	-13.97	34.78	-8.76
	Cut Flowers & Foliage	14.86	13.91	-6.39	13.63	-2.01
	Essential Oils	26.08	33.94	30.14	47.60	40.25
	Others of Other Export crops	161.91	139.74	-13.69	100.07	-28.39
2	Fisheries Products	265.24	180.58	-31.92	182.30	0.95
	Ornamental Fish	12.53	17.52	39.82	12.69	-27.57
	Edible Fish Products	198.03	127.87	-35.43	130.27	1.88
	Crustaceans	54.68	35.19	-35.64	39.34	11.79
3	Industrial Products	8111.04	7813.53	-3.67	7794.50	-0.24
3.1	Diamonds. Gems & Jewellery	393.60	331.70	-15.73	248.36	-25.13
	,					
3.2	Textiles & Garments	4908.30	4801.99	-2.17	4866.40	1.34
3.3	Manufactures	2439.55	2305.84	-5.48	2427.88	5.29
	Food, Feed, Beverages & Tobacco	317.10	302.19	-4.70	427.17	41.36
	Leather & Leather Products	22.96	23.67	3.09	22.00	-7.06
	Wood & Wooden Products	63.84	55.27	-13.42	60.12	8.78
	Paper & Paper products	79.95	76.90	-3.81	85.92	11.73
	Rubber Finished Products	889.41	760.92	-14.45	767.69	0.89
	Chemical Products	47.60	50.25	5.57	48.53	-3.42
	Plastic Products	70.49	65.84	-6.60	70.35	6.85
	Non-Metallic Mineral Products	125.10	117.83	-5.81	109.41	-7.15
	Base Metal Products	62.45	55.81	-10.63	89.58	60.51
	Electronic, Electrical & Machinery- Products &	Parts 343.38	293.87	-14.42	317.75	8.13
	Boat Building	86.26	181.61	110.54	64.76	-64.34
	Footwear	86.57	86.31	-0.30	117.63	36.29
	Other Manufactures	244.44	235.37	-3.71	246.97	4.93
3.4	Petroleum Products	369.59	374.00	1.19	251.86	-32.66
5	Products Unclassified	54.85	47.03	-14.26	45.67	-2.89
	Total Exports	11130.09	10504.94	-5.62	10338.98	-1.58

1. Diamonds, Gems, Jewellery & Petroleum Products export data adjusted for 2014, 2015 and Notes: 2016(January-September) with Central Bank data.

2. -- indicates Export value, % Growth is insignificant.

Sources: Sri Lanka Customs / Central Bank of Sri Lanka / Sri Lanka Export Development Board

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...a sign of good taste around the World...



