

# ORGANIC INDUSTRY OF SRI LANKA





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 is increasing as people are more health conscious and therefore they seek safe and healthy food.

Among producer countries, Sri Lanka maintains a reputation in organic crop production and exports different varieties of organic products adhering to international standards. For over a decade, Sri Lanka had exported a range of organically certified products. The country is considered the pioneer in the Asian region, to introduce organically certified tea and cinnamon to the world market. The total area under organic agriculture in Sri Lanka in 2008 was established at 19,191ha (0.81% of total cultivated lands) and this has further increased to 31585ha (1.33% of total cultivated lands) in 2010. Statistics also highlight the significant increase in organic production from 4216Mt in 2007 to 41,128.3Mt in 2010 (IFOAM & FiBL statistics).

The Sri Lanka Government has increased its support towards organic producers through a number of initiatives.

## Advantages of Organic Products

- Increased global demand and expansion of new markets.
- Premium prices in the export market, leading to an increase in export earnings.
- Increase in farmer income by 30% - 100%, compared to the income revenue from conventional produce.
- Value addition through conversion of conventional products to organic products is more than 30% depending on the product.
- Environmental friendly and beneficial for health.

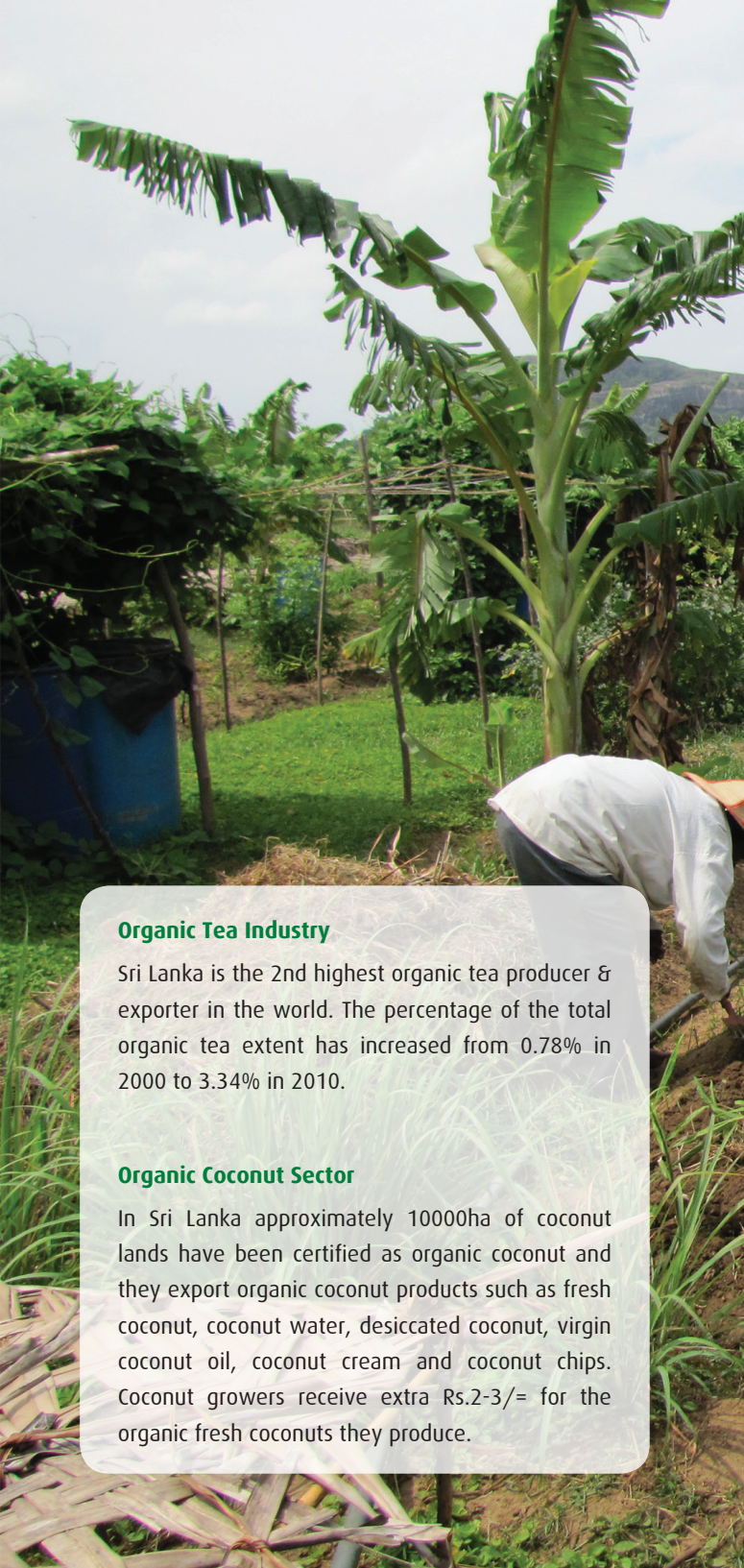


## Product Range

Tea, Coconut based Products, Spices such as Pepper, Cardamom, Cloves, Nutmeg, Cinnamon, Ginger, Vanilla and extracts, Medicinal Herbs, Essential Oils and Extracts, Tubers and Vegetables, Coffee, Cocoa, Fruits such as Pineapple, Papaya, Banana, Lime and Mango and Juices, Rice, Cashew, Processed Products, Wild Harvest such as Kithul Treacle, Juggery and Bee Products.





A person wearing a white protective suit and a hood is bent over, working in a field. In the background, there are several banana trees with large green leaves. To the left, there is a blue barrel. The field appears to be a tea plantation, with rows of tea bushes visible in the distance. The overall scene is outdoors, with a clear sky and some distant hills visible.

### **Organic Tea Industry**

Sri Lanka is the 2nd highest organic tea producer & exporter in the world. The percentage of the total organic tea extent has increased from 0.78% in 2000 to 3.34% in 2010.

### **Organic Coconut Sector**

In Sri Lanka approximately 10000ha of coconut lands have been certified as organic coconut and they export organic coconut products such as fresh coconut, coconut water, desiccated coconut, virgin coconut oil, coconut cream and coconut chips. Coconut growers receive extra Rs.2-3/= for the organic fresh coconuts they produce.

## Specialties Associated with Organic Products in Sri Lanka

- Indigenous knowledge/ management practices of the farmers to contribute towards sustainable agriculture.
- Compliance with the green concept with minimal impact on the environment.
- Diverse climatic conditions within the country that enable cultivation of a range of organic products from tropical to temperate.
- Reputation as a supplier of quality products.
- Available supply of local resources to enhance production.
- Flexible operation (out-grower schemes, short-term employment)
- Skilled labour.
- Compliance with International Standards.







### **Supply Base**

All major exporters operate their own cultivation and some have arranged out-grower systems/ community based cultivation.

### **Major Export Markets**

USA, Germany, France, Japan, UK, The Netherlands, Sweden, Switzerland, Australia, Canada, Belgium, Austria.

### **Organic Certification in Sri Lanka**

Organic regulations are formulated based on guidelines or basic standards provided by the International Federation of Organic Agriculture Movements (IFOAM) and Codex Alimentarius. Presently, there are eight international certification agencies operating in the country, as external inspectors or/and certification bodies.

The Sri Lanka Export Development Board is setting up an independent body to obtain the 3rd country registration in Europe. This controlling authority will govern the Organic Sector in the country and register Sri Lanka in the 3rd country list of the EU, reducing the cost of certification and facilitating Organic products to penetrate to the EU member countries. This will also eliminate tariff barriers on organic agricultural products, and enable the exporters to be competitive in catering to the international market and fetch a premium price.

## SRI LANKA EXPORT DEVELOPMENT BOARD

The Sri Lanka Export Development Board is Sri Lanka's apex organisation for the promotion and development of exports. It was established in 1979 under the Sri Lanka Export Development Act No. 40. EDB is the executive arm of the Export Development Council of Ministers, headed by H.E. the President of Sri Lanka, which is the policy-making body of the EDB.

### What We Do

We assist in negotiating business with Sri Lanka, either as an importer or an investor in export production.

Functions of the EDB encompass a range of activities such as promoting exports, organising buyer-seller meets, and exhibitions, providing essential information to both local and foreign entrepreneurs and assisting in the formulation and maintenance of quality standards wherever applicable.

The EDB is manned by a team of professionals, knowledgeable in their own specialized areas, who maintain close personal links with the respective sectors and hence highly competent in providing you helpful advice.

The EDB has on its Board of Management, representatives of both state and private sector organisations involved in export activities. Dedicated to the task of promoting more exports and better exports for the benefit of exporters and importers alike, the full range of its services are provided free of charge.

# SRI LANKA EXPORT DEVELOPMENT BOARD



For further information please contact:

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