

SUCCESSION OF SMALLHOLDER FAMILY CATTLE FARMS IN THE ANURADHAPURA DISTRICT, SRI LANKA

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Smallholder dairy cattle farming in Sri Lanka is characterised by family-based production and contributes significantly to the food security and income of rural households. The succession of such farms from generation to generation affects their continuity and survival. Nevertheless, the number of farm takeovers has gradually decreased over the past. Therefore, this study examined three aspects of farm succession; the likelihood of succession, the possibility of having a designated successor, and the timing of succession. The study was carried out in the Anuradhapura district by surveying 200 smallholder cattle farming households selected using a three-stage proportionate random sampling technique. The data were analysed using descriptive and binary-choice regression analysis. According to the findings, 57% of the households had a succession plan. Intra-family farm succession was the main method of succession and 68% of farms have identified a likely successor within the family. The majority (62%) of the farms planned to transfer both ownership and management of the cattle farm to the successor when the operator is 60 to 65 years old. The number of family labourers, off-farm work engagement of the household, farming income, and land extent owned by the household had a positive significant ($p < 0.05$) influence on the likelihood of farm succession. Potential successors were unsure of a smooth succession due to attractive non-farm income opportunities (70%), less attractive farm financial performance (65%), and incompatibility of farming with their educational qualifications (62%). The findings confirm the importance of farm and farm family-specific factors in the succession process and suggest the necessity to take measures that assist both older and younger farmers in solving the farm succession problems. Policies aimed at improving local income, and investments in skill and infrastructure development can assist in farm succession.

Keywords: Cattle farming, Family farming, Farm succession, Farm transfer