

VALUE CHAIN DEVELOPMENT OF GREEN CHILLI IN ANURADHAPURA DISTRICT OF SRI LANKA

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Chilli is one of the major crops among other vegetables in Sri Lanka. Low volume of production, seasonality of supply, poor quality, lack of focus on value addition and low integration of value chain are the main features of this market. As a result, both quantitative and qualitative losses occurred along the value chain. Further, the information accumulated at higher levels of the existing value chain is not communicated along the value chain, particularly to the bottom level which is represented by poor farmers. Having identified those issues, the present study was conducted with the objectives of identifying strengths, weaknesses, opportunities and threats of different actors functioning in the different nodes of the value chain and to make recommendations to develop an effective value chain.

A series of "face-to-face" interviews supported by a structured questionnaire were carried out with random samples of seventy-five farmers, ten collectors, ten wholesalers and five retailers. Land availability and agro climatic conditions which are favourable for chilli are the major strengths identified while lack of crop diversification and poor processing technology are the major weaknesses that act as barriers for the development of the existing value chain. Promotion of grower's scheme or forward sales contacts and better coordination with extension service would be helpful in better information dissemination. Further, the access to information by growers should be enhanced and the farmer cooperatives or clusters should be developed that in turn facilitate to smoothen the supply and reduce the cost via bulk production and distribution.

Key Words: Value Chain, Chilli, Swot Analysis