

SOCIO-ECONOMIC IMPACTS OF THAMBUTTEGAMA DEDICATED ECONOMIC CENTER

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The Dedicated Economic Center, Thambuttegama (TDEC) was established on 13th September 2005 in order to promote marketing facilities for farm products. Due to the perishable nature, vegetables and fruits should be sold to the consumers within a short period after harvesting in order to minimize post-harvest losses. Therefore, the establishment of marketing centers or collecting centers in production areas is an activity of prime importance. This study assessed the overall impact of the TDEC in marketing of farm products, especially vegetables. Relevant data were gathered through interviews held with random samples of farmers (65), wholesalers/transporters (25) and shop keepers (10).

TDEC has shortened the marketing channels minimizing the opportunity for the middlemen to involve. The average distance transported of the farm products by the farmer as well as the buyer has dropped significantly. Results also indicated that reduction in distance transported by the producer, reduction in quality deterioration, increased profits of the producer as well as the buyer and change in composition of crop mixtures are the beneficial outcomes of the TDEC. Farmers have saved time they allocate for marketing of farm products by an amount of 5-15% after establishing the TDEC. Consumers as well as buyers commute from other parts of the country have benefited due to timely availability of large stocks of vegetables at a central location. It was also uncovered that some stall owners of TDEC do provide credit facilities. After the establishment of TDEC business community surrounding the TDEC has expanded while generating more employment opportunities.

Key words: TDEC, Middlemen, Marketing channels, Postharvest losses