

Progress Report 2014

Ministry of Plantation Industries

05th November 2014

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Colombo 02.**

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Message of the Hon. Minister



It is with great pleasure I pen a message to “**Progress Report – 2014**” which contains the progress of tea and rubber sectors that contribute significantly to the economic development of Sri Lanka through the poverty alleviation, industrial development, rural, social and economic development, employment generation and foreign exchange earning in line with the Mahinda Chintana Vision for the Future.

As stated by me at the budget discussions of the Ministry of Plantation Industries held on 08th July 2010, 10th December 2010, 07th December 2011, 23rd November 2012 and 05th December 2013, we are marching forward in the path for “development of the plantation industry” and are gradually reaching the projected targets.

Accordingly, action is being taken to continue with the subsidies provided per hectare in a sum of Rs.250,000 for tea new planting; Rs.350,000 for tea replanting; Rs.150,000 for rubber new planting; and Rs.175,000 for rubber replanting with a view to enhancing the productivity of the tea and rubber plantations. Further, a subsidy of Rs.25 per tea plant will be granted for infilling. In addition, the fertilizer subsidy of around Rs.5 billion, provided under the National Fertilizer Subsidy Programme is continued as it is and I consider it a blessing on the part of the tea smallholders that a subsidy of Rs.5,000 per hectare per annum was granted by the previous Budget for suitable preparation of tea small holdings in order to conserve water and soil with a view to optimizing the productivity of the aforesaid subsidies. Actions are also being taken to continue with the implementation of extension and advisory programmes aimed at enhancing the productivity of the cultivated lands. I wish to state that the necessary action taken to conduct marketing and promotion programmes to attract local and foreign markets and to generate tea and rubber related value added products has resulted in an upliftment in the plantation sector

The progress achieved during the course of this year is a result of being able to meet tea and rubber growers scattered in the country; identify and resolve issues they are encountered with and being able to hold constructive discussions with the stakeholders in the field namely growers, traders, exporters, brokers, producers, plantation companies and members of the trade unions; their issues identified and solutions arrived at and to meet Heads of Ministries and Institutions and progress reviewed.

I avail this opportunity to extend my heartfelt gratitude to H.E. the President who guided me to make the above achievements, the Hon. Deputy Minister, Secretary to the Ministry and the staff of the Ministry, Heads and the staff of the institutions coming under the purview of the Ministry, International Donors in the plantation sector and to all stakeholders who extended their fullest cooperation in the efficient execution of all duties entrusted.

Mahinda Samarasinghe (M.P.)
Minister of Plantation Industries

Message of the Hon. Deputy Minister



The plantation sector plays a significant role in an era where it is committed to make Sri Lanka the “Wonder of Asia” in line with the Mahinda Chintana Vision for the Future. In the present context, I as the Deputy Minister of Plantation Industries, am very pleased for the opportunity received to pen a message to the “**Progress Report – 2014**” to be tabled in Parliament by the Ministry of Plantation Industries.

My sole intention is to extend my fullest cooperation to encourage replanting and new planting of traditional plantation crops in Sri Lanka namely tea and rubber, enhance the land productivity by adopting good agricultural practices and to develop such industries utilizing new scientific and technological mechanisms.

I wish to mention that I will exert my fullest dedication to lead the plantation industry in a path to development in consultation with the stakeholders who are an integral part of the development of plantation industry.

I take this opportunity to extend my heartfelt gratitude to H.E. the President who provides the necessary vision and the direction in executing the special functions referred to above. Furthermore, I avail this opportunity to thank Hon. Minister of Plantation Industries who guided me for the above achievements and the Secretary to the Ministry and the staff of the Ministry, Heads and the staff of the institutions and all stakeholders who extended their fullest cooperation in this endeavour.

Earl Gunasekara (M.P.)

Deputy Minister of Plantation Industries

Message of the Secretary



“Progress Report – 2014” to be tabled at the Committee Stage of the Budget 2015 contains the progress up to 30th August 2015 and the summary of the development targets for year 2015 of the Ministry of Plantation Industries and the institutions coming under its purview.

The exclusive objective of the Ministry of Plantation Industries is to execute its functions towards generating an export income of US\$ 05 billion in the year 2020 having enhanced the productivity, profitability and sustainability of the plantation industry within an economically, socially and environmentally established plantation sector in conformity with the Mahinda Chintana Vision for the Future.

The Ministry is taking dynamic action in consultation with the relevant stakeholders to make and implement policy decisions relating to the enhancement of productivity, increase of the annual rate of new planting and replanting, popularization of cultivation in non-traditional areas, implementation of research and development programmes, promotion of value addition and brand names and conducting trainings and providing extension services with a view to meeting the said challenges and achieving the target.

This publication elaborates the vigorous contribution made towards the implementation of planting subsidy programmes, launching of the water and soil conservation programme in tea small holdings, popularization of mechanization of tea plucking in tea small holdings, taking necessary actions to sustain the good name of “Ceylon Tea”, expansion of rubber cultivation to non-traditional areas, taking steps to confine the import of natural rubber, implementation of tea and rubber based research and development programmes and establishment of relationships with the stakeholders in line with the above.

I extend my sincere gratitude to Hon. Minister and Hon. Deputy Minister of Plantation Industries for the proper guidance provided in the successful execution of the foresaid functions. I avail this opportunity to thank the officials and staff of the Ministry, including the Chairmen and the staffs of the institutions coming under the purview of the Ministry and all stakeholders in the plantation sector, who extended their fullest cooperation in this endeavour. Furthermore, I am thankful for the staff of the Planning Division of the Ministry who made tireless efforts to prepare the “Progress Report – 2014” on time and in the highest quality.

The coming year 2015 is yet another challenging year for the plantation sector. Therefore, we must all work collectively to achieving the targets to make the growth of the plantation sector sustainable.

Dr. Damitha de Zoysa
Secretary