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**SOCIO-ECONOMIC AND TECHNICAL FACTORS INFLUENCING
DISCONTINUATION OF PROTECTED AGRICULTURE
ENTERPRISES IN SRI LANKA: A CASE STUDY OF THE
PROTECTED AGRICULTURE ENTREPRENEURS ASSOCIATION
(PAEA)**

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Generally it is accepted that protected agricultural produce have a high value and a high demand in both local niche markets and international markets. Protected Agriculture Entrepreneurs Association (PAEA) is the main center in Sri Lanka which brings together producers, professional enterprises and agencies for accessing, sharing and disseminating innovative technologies available locally and internationally for the promotion and development of high-value horticulture industry. However, upgrading and expansion of the protected agriculture enterprises in the country is not at a satisfactory level. According to the data base of the PAEA and the key informant discussions, it could be observed that there is an appreciable tendency for discontinuation of production after several seasons of operation. It can be a major reason for hindering the sustainable development and mobility of the protected agriculture enterprises. This study was conducted to find the factors causing the growers to discontinue protected vegetable production after a few seasons of operation and to propose appropriate remedial measures.

The investigation was done through key informant discussions, observations and interviews of randomly selected members of PAEA (covering both active and discontinued categories) using a semi structured interview schedule. Secondary data were used to analyze the status and to verify the discontinuation.

The main reasons for discontinuing protected agriculture enterprises were socio-economic factors, namely, lack of transport facilities, problems in the marketability, marginal monetary returns, dependency on external support schemes for investments, part-time engagement and lack of family support. Small scale of operations (less than 2000 sq ft.) and cultivation of tomato ("low-value" crop) were common among most discontinued growers. The technological features of their production enterprises did not have a significant association with discontinuation.

In order to facilitate the sustainability and mobility of protected agriculture enterprises in Sri Lanka, the supply chain must be revised to collect, transport, store and ultimately market the protected agriculture produce. Monitoring and advisory programs must be linked with the small growers to minimize production risks while reducing production costs leading to increased profit margins.

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