

# MAHAWELI ENTERPRISE DEVELOPMENT

## MED/EIED PROJECT

(USAID/Sri Lanka Project No. 383 - 0090)  
(Contract No. C-00-0031-00)

### MED/EIED 1994 WORKPLAN



INTERNATIONAL SCIENCE AND TECHNOLOGY INSTITUTE, INC.

WITH:

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HIGH VALUE HORTICULTURE, PLC.  
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AGROSKILLS, LTD

CONSULTANTS TO THE MAHAWELI AUTHORITY OF SRI LANKA

## The Mahaweli Enterprise Development Project

The development of the natural and human resources of the Mahaweli river basin has been a high priority of the Government of Sri Lanka and international agencies since the late 1970's. Largely completed are the construction of dams, irrigation and power systems, roads and other physical infrastructure, the settlement of the land and the formation of the agricultural production base. The challenge for the 1990's is to build a diverse, dynamic economy generating higher incomes for Mahaweli families. In meeting this challenge, the private sector has a leading role to play.

The Mahaweli Enterprise Development Project (MED) is a special initiative of the Mahaweli Authority of Sri Lanka, with the support of the United States Agency for International Development. MED promotes private investment and job creation in agribusiness, manufacturing, tourism, minerals and services by directly assisting entrepreneurs and companies with technical expertise, marketing support, training, business advisory services and credit. MED also provides policy analysis support to improve official frameworks for sustainable enterprise development in the Mahaweli areas.

The Employment, Investment and Enterprise Development Division of the Mahaweli Authority is responsible for MED implementation. Technical consultancy is provided by a consortium led by the International Science and Technology Institute, Inc., a private consulting firm with head offices in Washington, D.C. Also in the consortium are Agroskills, Development Alternatives, Ernst and Young, High Value Horticulture and Sparks Commodities.

# **MED/EIED 1994 WORKPLAN**

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## INTRODUCTION

**MED/EIED is a project and an organization. The Mahaweli Enterprise Development Project was signed between the USAID and the Mahaweli Authority of Sri Lanka in 1989, began start-up in mid-1990, and had most of the anticipated activities underway by mid-1992. The objective is to raise family incomes through private sector employment in Mahaweli areas. It does this, first, by supporting activities of EIED directly to promote entrepreneurship and investment which generate job opportunities for the second and third generations of Mahaweli settlers, most of whom are not able to be fully productive on the small farm plots of their parents and grandparents, the original settlers. MED - supported activities focus on non-farm sectors, including agribusiness. The project is on or ahead of targets with regard to job creation with much of the investment and employment being in self-employment and micro-enterprises (the latter defined as four or fewer employees) and in outgrower based agribusiness. Secondly, the project supports activities to strengthen the legal and regulatory framework for development in Mahaweli areas. The context is the recent history of the Mahaweli areas as the scene of ambitious public infrastructure and human settlement investments administered by the MASL, and the desire to encourage private entrepreneurs and investors to participate fully in the next phase of Mahaweli development.**

The Employment, Investment and Enterprises Development Division of the MASL is the official implementing organization for MED. Created in 1986, EIED is charged with promoting the development of a diverse and dynamic economy in the Mahaweli areas. EIED is responsible for a wide array of business support services dealing with entrepreneurship development and investment promotion. Most EIED activities are supported by the MED project.

MED/EIED distributes annual and quarterly workplans and reports. The reports contain detailed information on the activities carried out, the assistance provided to private firms, and the results.

This 1994 workplan is based on the planning conference held in November, 1993, at Aralanganwila. The conference, attended by MED/EIED staff and consultants and by MASL and USAID representatives, reviewed past performance and accomplishments and agreed the strategies and key activities for 1994. The draft plan was presented for comment and discussion to officials and private sector representatives on December 22, 1993.

The strategies for 1994 continue the emphasis on broadbased participation, on services responsive to entrepreneur demands, and on enterprises which can be competitive and grow. At the same time, MED/EIED is changing. In response to ongoing learning as to which interventions are contributing efficiently to raising employment and incomes in the Mahaweli, we will focus on a more selected set of activities, sectors, enterprises and markets. Secondly, we will place added emphasis on strengthening capacities for sustaining MED supported services.

Activities planned for 1994 are the subject of the main body of this document.

## MED/EIED - BACKGROUND

**Background.** Non-farm employment and crop diversification are principal avenues to increased family incomes in the Mahaweli. To advance along these avenues successfully, with widely shared increases in output and productivity, requires a continual process of technological and institutional change, investments in human and physical capital, and a policy framework which encourages increasing efficiency in the allocation and use of resources. The MED project was designed during the late 1980's to support actions by EIED and the private sector in all of these areas.

**MED design.** The MED design aimed to generate non-farm employment and crop diversification through interventions addressing both small and large businesses. It anticipated that some 10,000 jobs would be generated, with almost 90% of these by medium and large scale enterprises, mainly commercial farms. It provided for major interventions to promote investment opportunities to large investors, including foreign investors, and support the pre-investment and market development activities of firms. The sectoral focus was heavily on agribusiness, in which the Mahaweli was assumed to have comparative advantages based on land and water and in which competitive advantages could be developed using market oriented approaches and selective interventions.

**Start-up.** EIED started the project in mid-1990 with a core technical assistance team in Colombo. Full field operations were initiated in mid-1992. The complete set of activities anticipated in the design were carried out during 1993, with the exception of the group credit phase of the small business program, which will begin during 1994.

**Clients.** MED/EIED's clients are entrepreneurs and investors in Mahaweli areas. During 1993, MED/EIED served more than 2,700 clients, covering the full range of enterprise types, sectors and markets, through its head office in Colombo and 12 Business Centres located in Mahaweli areas.

**Services.** MED/EIED provide entrepreneurs and investors with: (i) credit facilitation services, such as loan preparations and appraisals and group lending arrangements; (ii) technical, entrepreneur development and business management training; (iii) individual business counseling and technical assistance; (iii) market and technology information and referrals; (iv) assistance in obtaining land and buildings; and (v) other support services where they are not available from the private sector, such as telephone, fax and photocopying facilities. Special cost-sharing grants are provided for innovative projects for pre-investment support, technology transfer and market development.

CLIENT TYPES	SECTORS	MARKETS
self-employed entrepreneurs	manufacturing	local
microenterprises (1 - 4 employees)	services, including housing and tourism	Colombo
small enterprises (5 - 24 employees)	agribusiness, including outgrower schemes and commercial farms	provincial
medium and large enterprises	commerce	indirect export
aspiring entrepreneurs and potential investors	minerals	direct export
foreign investors		

**Results.** Entrepreneurs and enterprises assisted by MED/EIED have created more than 9,000 jobs in Mahaweli areas, 47% as contract outgrowers, 37% in small businesses half of whom are self-employed entrepreneurs, and 16% in medium and large scale enterprises.<sup>1</sup> The sustainability of the jobs created, a complex issue particularly when the bulk of the jobs are as contract outgrowers and individual entrepreneurs, will be determined by more than the effectiveness of the business support services. Sustainability refers not to "permanent" jobs,<sup>2</sup> but rather to an environment in which businesses and jobs are constantly being regenerated. This is a dynamic environment in which jobs and labor are mobile, in which productivity and real wages rise, and which is characterized by the constant churning of new businesses entering into operation and existing businesses carrying on, expanding, contracting and going out of business. The degree of such dynamism in the enterprise environment in the Mahaweli is, of course, greatly influenced by the broader economic context of Sri Lanka.

**Adjustments for 1994.** The basic design focus on non-farm employment generation and crop diversification through business development remains valid. However, in general, the interventions to support small businesses, including self-employed people, microenterprises and small enterprises, are yielding results greater than anticipated, while those aimed at medium and large enterprises are yielding results less than anticipated. With our experience and in response to changes in entrepreneur demands and the steady evolution of the policy framework, for the 1994 program we have made adjustments to increase the effectiveness and efficiency of MED/EIED activities:

- The emphasis on micro and small enterprises has increased;
- The emphasis on serving all enterprise sectors has narrowed, with agribusinesses, including manufacturing and services sector enterprises which produce inputs and services for the agricultural sector, now clearly the main, though not exclusive, focus;
- The emphasis on linkages between non-farm and farm sectors within the Mahaweli has increased, along with linkages with other Sri Lankan markets, including indirect export markets in Sri Lanka. The emphasis on direct export markets has lessened;
- The emphasis on medium and large agribusinesses is now on outgrower based schemes while the focus on individual commercial farms is eliminated;<sup>3</sup>

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<sup>1</sup> All end-1993 figures presented in this plan are estimates based on data up to end November, 1993. Full results will be published in the 1993 annual report.

<sup>2</sup> **Job creation.** In a dynamic environment jobs are frequently created and lost. Recent research in the U.S. found that over the period 1969-89, in small manufacturing enterprises with 0 - 19 employees, while 10% of the jobs were lost each year and 35% of the jobs created lasted less than one year (the rate was higher in the services sector), the total number of jobs rose each year.

<sup>3</sup> **Agribusiness.** The main opportunities for high employment agribusiness have been: (i) hand-labor intensive outgrower schemes which produce products for export in a semi-processed form, e.g., small gherkins and tobacco; (ii) services and manufacturing activities which produce low cost, acceptable quality inputs to settler agriculture, such as tractor repair and implement manufacturing; and (iii) small and medium scale food and other agricultural processing for local markets. Not developed have been the anticipated ten 565 acre commercial farms producing horticultural products for fresh export and employing on average one person per acre. Development of farms along such line confronts major constraints, including: (i) national land policy ceiling of 50 acres except in cases which receive Cabinet approval; (ii) policies which protect the rural sector and make it often less competitive in attracting investment resources compared to sectors such as finance and manufacturing; (iii) policies which protect small farmer food crops and raise procurement prices of

- The emphasis on growing businesses within the Mahaweli has increased and there is now less emphasis on promoting inward investment, including foreign investment;<sup>4</sup>
- The emphasis has increased on technology and marketing support services for small businesses, while maintaining the strong emphasis on credit services;
- The emphasis on secure land tenure policies has now shifted from one of policy *per se*, as the policies now in place for the issuing of land grants and long term leases for businesses are quite adequate, to one of implementation;
- The main policy support activities have shifted from land tenure policies to the consolidation (restructuring) of Mahaweli services;
- The emphasis on developing entrepreneur associations and other participatory associations has increased;
- The emphasis on strengthening the sustainability of MED/EIED business support services has increased, while maintaining the strong emphasis on achieving results.

**Sustainability of services.** It was anticipated that at the close of MED support there would be sufficient enterprises to achieve the 'agglomeration economies' lacking in the late 1980's; secondly, there would be a sufficiently strong legal and regulatory framework for the process of entrepreneurship, investment and employment generation to continue; and, thirdly, certain MED supported services would continue so as to sustain this process. In 1994, while maintaining the interest in business formation and a strong policy framework, high priority is given to the sustainability of MED/EIED business support services. This involves greater collaboration with other public, private, and non-governmental organizations, the formation of private associations in the Mahaweli, and the consolidation of the MASL. While most MED supported services are provided to small businesses and as such are a form of social infrastructure,<sup>5</sup> sustainability concerns are leading to an increased attention to fee-based services and cost recovery.

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agribusinesses based on outgrower production; and (iv) the shortage of technical packages for proven low risk, high yield crop options for Mahaweli areas.

<sup>4</sup> **Investment promotion.** It was anticipated that investor promotion and support services, combined with comparative advantages of land and water, would attract medium and large, including foreign, investors into export agribusinesses in the Mahaweli. In the event, extensive promotional activities were carried out over 1991-93, including in collaboration with other national agencies. These were successful in generating hundreds of inquiries, contacts, lengthy discussions, field visits and applications. However, the constraints noted in the previous footnote along with difficulties in securing land and at times the problems of the Mahaweli's rice-based irrigation infrastructure and water issue schedules, appear to have largely offset the anticipated advantages.

<sup>5</sup> **Small business support services** have public good properties with the economic benefits distributed widely and the non-feasibility of preventing non-payers from benefitting. The benefits include the strengthening of the competitive (non-monopolistic) elements in the economic structure. Also, by assisting lower income groups participate in economic growth, the services contribute to meeting social objectives.

## OVERVIEW OF 1994 TARGETS FOR EMPLOYMENT CREATION AND ACTIVITIES

**Job creation****Targets**

Total employment generation

Create 3,150 jobs, including 1,600 as outgrowers

**Activities**

Secure land tenure

Issue 1,000 land grants, long term leases and housing sites to enterprises

Technology transfer

Assist 100 small businesses to adopt new technology and upgrade existing technology

Market development

Assist 120 enterprises to sell products to new buyers or new markets

Small business finance

Arrange credit for 1,100 small businesses

Human resources development

Train 2,700 entrepreneur participants

Business center services

Serve 3,100 small business clients

Agribusiness outgrower schemes

Assist companies to contract with 6,000 settler farmers for export production

Innovative investment projects

Support 50 innovative private investment projects

Private associations

Assist the development of 20 private associations

Policy development

Support 12 specific actions to improve policy frameworks for business development















**Activity - INNOVATIVE INVESTMENT PROJECTS**

**Target: Support 50 innovative private investment projects**

**Comment:** In the original project design, MED/EIED services for medium and large enterprises were mainly directed at addressing technology and market constraints and the project's Pre-investment Program (PIP) was restricted to assisting these enterprises undertake innovative projects. During 1994, PIPs will continue with three firms - Aitken Spence, packhouse and cold chain; Heron, nucleus - outgrower farm model; and Informatics, cashew production and processing. MLE PIPs are managed by the head office with assistance from the Business Centers. In 1993, PIP procedures were revised to make small enterprises eligible for support and the first PIP for small enterprises, for the introduction of instant noodles, was implemented. The PIPs for small enterprises are managed directly by the Business Centers. In 1994, 28 PIPs will be supported for small businesses. In addition, it is often necessary to mount demonstration projects to promote new technologies. During 1994, five new technologies will be introduced through cost-sharing arrangements with ten small businesses. The Export Market Access program will provide small amounts of assistance on a cost sharing basis to ten firms for developing export markets for Mahaweli products.

**Key tasks:**

1. Implement PIPs for Uda Walawe cold chain, Uda Walawe nucleus - outgrower farm model; and System C cashew production and processing investment.
2. Assist 28 small businesses develop high risk innovative and profitable ventures which will increase their employment level.
3. Assist 10 businesses to access export markets with Mahaweli products.
4. Assist 10 businesses to adopt five technologies.

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**Activity - PRIVATE ASSOCIATIONS**

**Target: Assist the development of 20 private associations**

**Comment:** Sustainable enterprise development relies upon institutions to maintain the flow of information to markets and official bodies. In the Mahaweli, these functions, which are often now performed by the MASL, will need to be picked up by the private sector, in many instances through associations or chambers. Associations linking entrepreneurs have been formed in Mahaweli systems following entrepreneur development training programs. MED/EIED will support the strengthening of entrepreneur associations during 1994. The 65 Savings and Credit Societies with 750 members have emerged as forums for business people to discuss common concerns. As a step towards forming an apex body, during 1994, second level associations will be set up, one in each of the five Systems. These associations will assist the sustainability of the group credit programme. After several years of promotion, a commercial farmers association and a gherkin exporters association were formed during 1993. In 1994, increased emphasis will be placed on fostering these associations. Few non-government organizations operate in the Mahaweli as the MASL carries out community and social mobilizational activities often associated with NGOs in other areas of Sri Lanka. During 1994, links will be developed with NGOs to draw their expertise, enthusiasm and capabilities into the process of Mahaweli development. The Mahaweli Venture Capital Company in 1993 funded 20% by value of MED/EIED arranged loans to small businesses and MED/EIED serves effectively as the field staff for MVCC. In 1994, MED/EIED will work with MVCC to strengthen its sustainability.

**Key tasks:**

1. Establish second tier associations of Savings and Credit Societies in five systems.
2. Implement agreement to develop commercial growers association and one other enterprise-based association.
3. Implement agreements to develop 12 entrepreneur associations .
4. Implement agreements of collaboration with three NGOs.
5. Implement agreement to develop gherkin association - see agribusiness outgrower schemes
- \* implement agreement for sustainability of MVCC - see policy development

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5	see schedule for policy development											



**MAHAWELI BUSINESS CENTRE: ANGUNUKOLAPELESSE**

<b>Job creation</b>	<b>Targets</b>
Total employment generation	Create 100 jobs. (Estimated 50 in small enterprises and 50 in MLEs.)
<b>Activities</b>	
Secure land tenure	
Technology transfer	Assist eight small businesses to adopt new technology and upgrade existing technology.
Market development	Assist ten small businesses to sell their products to new buyers or new markets.
Small business finance	Arrange 100 credits for small businesses. (This activity also includes registering one additional SCS, entering into full-scale group lending with one SCS, and disbursing 4 SCS grants.)
Human resources development	Train 150 entrepreneur participants. (This includes an estimated 148 participants trained in technical, credit and business related areas and one entrepreneur development course for 10 people.)
Business centre services	Assist 200 small business clients. (Includes delivering 500 business advisory consultations.)
Agribusiness outgrower schemes	
Innovative investment projects	Support four innovative private investment projects. (Includes one PIP grant.)
Private associations	Assist the development of one private association.
Policy development	

**MAHAWELI BUSINESS CENTRE: BAKAMUNA**

<b>Job creation</b>	<b>Targets</b>
Total employment generation	Create 350 jobs. (Estimated 100 in small enterprises and 250 in outgrower based agribusinesses.)
<b>Activities</b>	
Secure land tenure	Issue 50 grants or long term leases for commercial, industrial and housing plots.
Technology transfer	Assist eight small businesses to adopt new technology and upgrade existing technology.
Market development	Assist ten small businesses to sell their products to new buyers or new markets.
Small business finance	Arrange 60 credits for small businesses. (This activity also includes registering one additional SCS, entering into full-scale group lending with four SCSs, and disbursing 36 SCS grants.)
Human resources development	Train 100 entrepreneur participants. (This includes an estimated 80 participants trained in technical, credit and business related areas and one entrepreneur development course for 30 people.)
Business centre services	Assist 250 small business clients. (Includes delivering 800 business advisor consultations.)
Agribusiness outgrower schemes	Assist companies to contract with 250 additional settler farmers for export production.
Innovative investment projects	Support four innovative private investment projects. (Includes one PIP grant.)
Private associations	Assist the development of one private association.
Policy development	

**MAHAWELI BUSINESS CENTRE: BULNEWA****Job creation****Targets**

Total employment generation

Create 125 jobs. (Estimated 100 in small enterprises and 25 in MLEs.)

**Activities**

Secure land tenure

Issue 139 grants or long term leases for commercial, industrial and housing plots.

Technology transfer

Assist nine small businesses to adopt new technology and upgrade existing technology.

Market development

Assist ten small businesses to sell their products to new buyers or new markets.

Small business finance

Arrange 100 credits for small businesses. (This activity also includes registering one additional SCSs, entering into full-scale group lending with two SCSs, and disbursing 13 SCS grants.)

Human resources development

Train 100 entrepreneur participants. (This includes an estimated 80 participants trained in technical, credit and business related areas and one entrepreneur development course for 10 people.)

Business centre services

Assist 200 small business clients. (Includes delivering 800 business advisory consultations.)

Agribusiness outgrower schemes

Innovative investment projects

Support five innovative private investment projects. (Includes three PIP grants.)

Private associations

Assist the development of one private association.

Policy development

**MAHAWELI BUSINESS CENTRE: DEHIATTAKANDIYA**

<b>Job creation</b>	<b>Targets</b>
Total employment generation	Create 625 jobs. (Estimated 200 in small enterprises and 425 in MLEs, 400 of which are as outgrowers.)
<b>Activities</b>	
Secure land tenure	Issue 125 grants or long term leases for commercial, industrial and housing plots.
Technology transfer	Assist eight small businesses to adopt new technology and upgrade existing technology.
Market development	Assist ten small businesses to sell their products to new buyers or new markets.
Small business finance	Arrange 100 credits for small businesses. (This activity also includes registering one additional SCS, entering into full-scale group lending with one SCS, and disbursing 14 SCS grants.)
Human resources development	Train 230 entrepreneur participants. (This includes an estimated 217 participants trained in technical, credit and business related areas and one entrepreneur development course for 20 people.)
Business centre services	Assist 375 small business clients. (Includes delivering 1,500 business advisory consultations.)
Agribusiness outgrower schemes	Assist companies to contract with 400 additional settler farmers for export production.
Innovative investment projects	Support four innovative private investment projects. (Includes one PIP grant.)
Private associations	Assist the development of one private association.
Policy development	

**MAHAWELI BUSINESS CENTRE: EMBILIPITIYA, UDA WALAWE**

<b>Job creation</b>	<b>Targets</b>
Total employment generation	Create 250 jobs. (Estimated 100 in small enterprises and 150 in MLE, 100 of which are as outgrowers.)
<b>Activities</b>	
Secure land tenure	Issue 70 grants or long term leases for commercial, industrial and housing plots.
Technology transfer	Assist nine small businesses to adopt new technology and upgrade existing technology.
Market development	Assist ten small businesses to sell their products to new buyers or new markets.
Small business finance	Arrange 60 credits for small businesses. (This activity also includes registering one additional SCS, entering into full-scale group lending with two SCSs, and disbursing three SCS grants.)
Human resources development	Train 270 entrepreneur participants. (This includes an estimated 250 participants trained in technical, credit and business related areas and one entrepreneur development course for 20 people.)
Business centre services	Assist 300 small business clients. (Includes delivering 500 business advisory consultations.)
Agribusiness outgrower schemes	Assist companies to contract with 100 additional farmers for export production.
Innovative investment projects	Support five innovative private investment projects. (Includes four PIP grants.)
Private associations	Assist the development of one private association.
Policy development	

**MAHAWELI BUSINESS CENTRE: GIRANDURUKOTTE**

<b>Job creation</b>	<b>Targets</b>
Total employment generation	Create 400 jobs. (Estimated 100 in small enterprises and 300 jobs in MLEs, 250 of which are as outgrowers.)
<b>Activities</b>	
Secure land tenure	Issue 175 grants or long term leases for commercial, industrial and housing plots.
Technology transfer	Assist eight small businesses to adopt new technology and upgrade existing technology.
Market development	Assist ten small businesses to sell their products to new buyers or new markets.
Small business finance	Arrange 120 credits for small businesses. (This activity also includes registering one additional SCSs, entering into full-scale group lending with one SCS, and disbursing 14 SCS grants.)
Human resources development	Train 460 entrepreneur participants. (This includes an estimated 440 participants trained in technical, credit and business related areas and one entrepreneur development course for 20 people.)
Business centre services	Assist 300 small business clients. (Includes delivering 800 business advisory consultations.)
Agribusiness outgrower schemes	Assist companies to contract with 250 additional settler farmers for export production.
Innovative investment projects	Support four innovative private investment projects. (Includes one PIP grants.)
Private associations	Assist the development of one private association.
Policy development	

**MAHAWELI BUSINESS CENTRE: KOTMALE**

<b>Job creation</b>	<b>Targets</b>
Total employment generation	Create 200 jobs. (Estimated 50 in small enterprises and 150 in MLEs, including 100 as outgrowers.)
<b>Activities</b>	
Secure land tenure	
Technology transfer	Assist eight small businesses to adopt new technology and upgrade existing technology.
Market development	Assist ten small businesses to sell their products to new buyers or new markets.
Small business finance	Arrange 100 credits for small businesses. (This activity also includes registering one additional SCSs, entering into full-scale group lending with two SCS, and disbursing 6 SCS grants.)
Human resources development	Train 250 entrepreneur participants. (This includes an estimated 250 participants trained in technical, credit and business related areas and one entrepreneur development course for 25 people.)
Business centre services	Assist 300 small business clients. (Includes delivering 1000 business advisory consultations.)
Agribusiness outgrower schemes	Assist companies to contract with 100 additional settler farmers for export production.
Innovative investment projects	Support four innovative private investment projects. (Includes 4 PIP grants.)
Private associations	Assist the development of one private association.
Policy development	

**MAHAWELI BUSINESS CENTRE: MADATUGAMA**

<b>Job creation</b>	<b>Targets</b>
Total employment generation	Create 250 jobs. (Estimated 100 in small enterprises and 150 jobs in MLEs, including 100 as outgrowers.)
<b>Activities</b>	
Secure land tenure	Issue 94 grants or long term leases for commercial, industrial and housing plots.
Technology transfer	Assist nine small businesses to adopt new technology and upgrade existing technology.
Market development	Assist ten small businesses to sell their products to new buyers or new markets.
Small business finance	Arrange 100 credits for small businesses. (This activity also includes registering 1 additional SCSs, entering into full-scale group lending with one SCS, and disbursing 20 SCS grants.)
Human resources development	Train 100 entrepreneur participants. (This includes an estimated 75 participants trained in technical, credit and business related areas and one entrepreneur development course for 5 people.)
Business centre services	Assist 200 small business clients. (Includes delivering 500 business advisory consultations.)
Agribusiness outgrower schemes	Assist companies to contract with 100 additional settler farmers for export production.
Innovative investment projects	Support four innovative private investment projects. (Includes 2 PIP grants.)
Private associations	Assist the development of one private association.
Policy development	

**MAHAWELI BUSINESS CENTRE: NOCHCHIYAGAMA**

<b>Job creation</b>	<b>Targets</b>
Total employment generation	Create 225 jobs. (Estimated 100 in small enterprises and 125 in MLEs, 100 of which are as outgrowers.)
<b>Activities</b>	
Secure land tenure	Issue 94 grants or long term leases for commercial, industrial and housing plots.
Technology transfer	Assist eight small businesses to adopt new technology and upgrade existing technology.
Market development	Assist ten small businesses to sell their products to new buyers or new markets.
Small business finance	Arrange 80 credits for small businesses. (This activity also includes registering 2 additional SCSs, entering into full-scale group lending with 2 SCS, and disbursing 2 SCS grants.)
Human resources development	Train 140 entrepreneur participants. (This includes an estimated 130 participants trained in technical, credit and business related areas and one entrepreneur development course for 10 people.)
Business centre services	Assist 200 small business clients. (Includes delivering 720 business advisory consultations.)
Agribusiness outgrower schemes	Assist companies to contract with 100 additional settler farmers for export production.
Innovative investment projects	Support four innovative private investment projects. (Includes three PIP grants.)
Private associations	Assist the development of one private association.
Policy development	

**MAHAWELI BUSINESS CENTRE: SURIYAWEWA**

<b>Job creation</b>	<b>Targets</b>
Total employment generation	Create 100 jobs. (Estimated 50 in small enterprises and 50 in MLEs, 25 of which are outgrowers.)
<b>Activities</b>	
Secure land tenure	Issue 25 grants or long term leases for commercial , industrial and housing plots.
Technology transfer	Assist nine small businesses to adopt new technology and upgrade existing technology.
Market development	Assist ten small businesses to sell their products to new buyers or new markets.
Small business finance	Arrange 50 credits for small businesses. (This activity also includes registering 2 additional SCSs, entering into full-scale group lending with one SCS, and disbursing 4 SCS grants.)
Human resources development	Train 290 entrepreneur participants. (This includes an estimated 280 participants trained in technical, credit and business related areas and one entrepreneur development course for 10 people.)
Business centre services	Assist 200 small business clients. (Includes delivering 300 business advisory consultations.)
Agribusiness outgrower schemes	Assist companies to contract with 25 additional settler farmers for export production.
Innovative investment projects	Support four innovative private investment projects. (Includes 1 PIP grants.)
Private associations	Assist the development of one private association.
Policy development	

**MAHAWELI BUSINESS CENTRE: TAMBUTTEGAMA**

<b>Job creation</b>	<b>Targets</b>
Total employment generation	Create 225 jobs. (Estimated 100 in small enterprises and 125 in MLEs, 100 of which are as outgrowers.)
<b>Activities</b>	
Secure land tenure	Issue 143 grants or long term leases for commercial, industrial and housing plots.
Technology transfer	Assist eight small businesses to adopt new technology and upgrade existing technology.
Market development	Assist ten small businesses to sell their products to new buyers or new markets.
Small business finance	Arrange 100 credits for small businesses. (This activity also includes registering 2 additional SCSs, entering into full-scale group lending with two SCS, and disbursing 4 SCS grants.)
Human resources development	Train 130 entrepreneur participants. (This includes an estimated 114 participants trained in technical, credit and business related areas and one entrepreneur development course for 15 people.)
Business centre services	Assist 200 small business clients. (Includes delivering 1080 business advisory consultations.)
Agribusiness outgrower schemes	Assist companies to contract with 100 additional settler farmers for export production.)
Innovative investment projects	Support four innovative private investment projects. (Includes five PIP grants.)
Private associations	Assist the development of one private association.
Policy development	

**MAHAWELI BUSINESS CENTRE: WELIKANDE****Job creation:****Targets**

**Total employment generation** Create 300 jobs. (Estimated 100 in small enterprises and 200 in MLEs, including 175 as outgrowers.)

**Activities**

<b>Secure land tenure</b>	Issue 60 grants or long term leases for commercial, industrial and housing plots.
<b>Technology transfer</b>	Assist eight small businesses to adopt new technology and upgrade existing technology.
<b>Market development</b>	Assist ten small businesses to sell their products to new buyers or new markets.
<b>Small business finance</b>	Arrange 130 credits for small businesses. (This activity also includes registering 3 additional SCSs, entering into full-scale group lending with two SCS, and disbursing 28 SCS grants.)
<b>Human resources development</b>	Train 480 entrepreneur participants. (This includes an estimated 454 participants trained in technical, credit and business related areas and one entrepreneur development course for 40 people.)
<b>Business centre services</b>	Assist 375 small business clients. (Includes 1980 business advisory consultations.)
<b>Agribusiness outgrower schemes</b>	Assist companies to contract with 175 additional settler farmers for export production.
<b>Innovative investment projects</b>	Support four innovative private investment projects. (Includes two PIP grants.)
<b>Private associations</b>	Assist the development of one private association.
<b>Policy development</b>	

Project Steering Committee

Mr. D.G. Premachandra, Secretary, M/L.I. & M.D.  
Mr. S. Jayaweera, Secretary, M/MD  
Mr. K.H.S. Gunatilaka, Director-General, MASL  
Mr. P.T. Senaratne, Secretary-General, MASL  
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## MED/EIED PUBLICATIONS AVAILABLE

*Local Market for Pickled Products* (December 1990)

*Non Farm Small Scale Enterprise Credit on Selected Mahaweli Systems*, Geoffrey Peters and M.W. Panditha (December 1990)

*Crop Profiles - Spices, Herbs and Aromatics*, L. Denzil Phillips (July 1991)

*Study of the Tourism Development in the Uda Walawe* (July 1991)

*Potential for Silver Skin Onions in the Mahaweli*, Walter Nueberg (August 1991)

*Nursery Development of Papaya and Mango, Papaya Growers' Guide and Technical Notes for Business Plan for Mixed Fruit Cultivation Investment*, Ben Hatfield (November 1991)

*Dehydrated Fruit Processing Opportunities and Trends in Sri Lanka*, Wanchai Somchit, (November 1991)

*An Evaluation of the Entrepreneur Development Programmes*, Dr. Susan Exo and Hina Shah, (December 1991)

*Aromatics PIP Interim Report on Trials Establishment*, Dr Thomas Davies (December 1991)

*Agro-Business Financing Review*, Dennis De Santis (December 1991)

*Integrated Fruit Drying, juicing, Pulping project - Prep Feasibility Study*, Michael Smedley, Ben Hatfield and Wanchai Somchit (December 1991)

*Cold Chain Requirements for Uda Walawe*, Fredrick E. Henry (March 1992)

*Field Manual for Processing Tomatoes*, Peter Florance (March 1992)

*Processing Tomato Trials in Mahaweli System H*, Peter Florance (March 1992)

*Processing Tomato Trials in Mahaweli System C*, Peter Florance (March 1992)

*Dried Fruit Processing in the Mahaweli*, Dr. Kamal Hyder (September 1992)

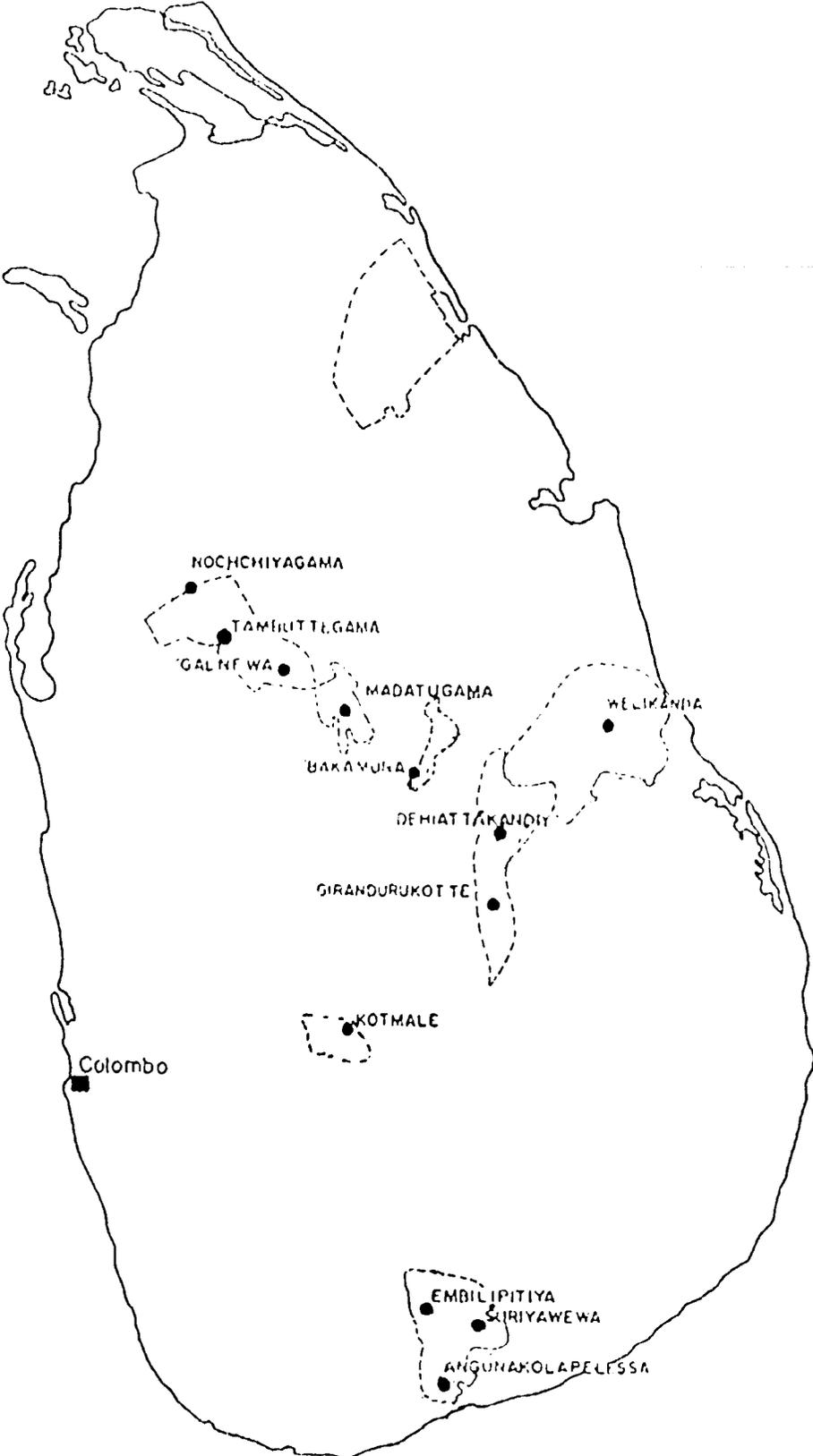
*Feasibility Study on Commercial Potential of Snake Venoms in Mahaweli Systems*, Anslem de Silva, (January 1993)

*Census of Mahaweli Enterprises and Employment* (January 1993)

**Most publications are priced at Rs.100/-. The publications are available at the MED Office at 8th Floor, Unity Plaza, Colombo 4. (inquiries, Ph. 508682-4)**

**An EIED publication entitled - "Information Available for the Mahaweli Investor", is also available at the MED Office.**

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