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MAHAWELI ENTERPRISE DEVELOPMENT

MED/EIED PROJECT

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COMMERCIAL DEMONSTRATION FARM INVESTMENT POTENTIAL FOR GIRANDURUKOTTE

A short-term consultancy report
by
Dr Cedric R. De Vaz

November, 1992

Report 14/1992



INTERNATIONAL SCIENCE AND TECHNOLOGY INSTITUTE, INC.

WITH :

ERMST & YOUNG CONSULTANTS (Sri Lanka)
DEVELOPMENT ALTERNATIVES, INC.
HIGH VALUE HORTICULTURE, PLC.
SPARKS COMMODITIES, INC.
AGROSKILLS, LTD

CONSULTANTS TO THE MAHAWELI AUTHORITY OF SRI LANKA

The Mahaweli Enterprise Development Project

The Government of Sri Lanka and the international donor community have given high priority to the development of the natural and human resources of the Mahaweli river basin. The first phase of this development, the construction of dams, irrigation and power systems, roads and other physical infrastructure, is largely complete. The second phase, settling the land and forming an agricultural production base, is well under way. The third phase, the major challenge for the 1990's, is the building of a diverse and dynamic economy, improving employment and income prospects for Mahaweli settlers and their families. In this phase the private sector has a leading role to play.

The Mahaweli Enterprise Development Project (MED) is a USAID-supported initiative of the Mahaweli Authority of Sri Lanka to promote investment and business development in agribusiness, manufacturing, tourism, minerals and services. MED directly assists small, medium and large-scale investors with technical assistance, marketing support, training, business advisory services and credit. MED also provides policy assistance to improve access to resources, such as land, water and capital, and the legal and institutional framework for enterprise development.

The official MED implementing agency is the Employment, Investment and Enterprise Development Division of the Mahaweli Authority. The main MED 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 DC. Other firms in the consortium are Agroskills, Development Alternatives, Ernst and Young, High Value Horticulture and Sparks Commodities. Marketing services are provided by SRD Research and Development Group, Inc.

MAHAWELI ENTERPRISE DEVELOPMENT PROJECT

GIRANDURUKOTTE FARM

by

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NOVEMBER 1992

PREFACE

Dr. Cedric de Vaz, an agronomist, is a retired Deputy Director of Agriculture with extensive experience in agriculture and horticulture. He has prepared this MED information report on Girandurukotte Farm as part of the preparation by the MASL for offering this farm to the private sector for development. The views and proposals expressed in the report are those of the consultant and do not necessarily represent the views of ISTI, the MASL or USAID as the funding agency.

This report is based in good part on information provided by the staff and files of the MASL. However, frequent staff changes and incomplete documentation have contributed to serious gaps in the institutional memory and records of activities and performance on Girandurukotte Farm.

PERSONS INTERVIEWED IN COMPILING THE REPORT

1. Dr. Jim Finucane, Chief of Party, MED
2. Mr Jayantha Jayewardene, Deputy Chief of Party, MED
3. Mr J. Weerakody, Manager Development Centre, MEA, Girandurukotte.
4. Mr Ranjith Herath, Deputy Resident Project Manager (Agri.) MEA, Dehiattakandiya.
5. Mr M.B.M. Divaratna, Deputy Resident Project Manager, MEA, Dehiattakandiya.
6. Mr C.K. Karunaratne, Training Officer, Development Centre, Girandurukotte.
7. Mr Jayawardena Herath, Farm Manager, Demonstration Farm, Girandurukotte.

LIST OF ACRONYMS

CM	-	Centimeters
H	-	Hectare
KG	-	Kilogram(s)
MED	-	Mahaweli Enterprise Development Project
M	-	Meter(s)
Rs	-	Rupees

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GIRANDURUKOTTE FARM

PREAMBLE

The Demonstration Farm comes within the Badulla District of the Uva Province of Sri Lanka. It lies in close proximity to the Development Centre of the Mahaweli Economic Agency at Girandurukotte. The farm which is also a training centre was established in 1980, to mainly cater to the training needs of second generation farmers in System C of the Mahaweli. Initially, the project proposal pertaining to the demonstration Farm decided to restrict the total area to 10 acres, but somewhere down the line this decision has been changed to make the current extent 50 acres, of which 40 ac. are arable and the balance 10 ac. non-cultivable. The highland area of about 22 acres has relatively large extents of banana and orange as permanent crops. However, during Maha and Yala, other field crops relevant to the training programmes are also cultivated. The farm has a good perimeter fencing supported on concrete posts. Telephone, electricity and water services are not provided to farm buildings, although electricity is available at the vocational training centre.

The training centre offers both long and short term courses in collaboration with the National Apprentice & Training Authority, who also are responsible for conducting relevant examinations. Successful candidates are awarded certificates of competence which are well recognized locally.

The vocational training programmes cover a wide range of topics, like carpentry, motor mechanism, lathe work, welding, home gardening, land preparation for cropping, compost making, bio gas technology etc. The farm also maintains a small herd of cattle, some poultry and bee hives for demonstration purposes. The model home garden on one acre land is quite meaningful, where a house with a wide range of fruit crops, vegetables and medicinal herbs, together with a bio-gas unit, cattle shed and well, are all judiciously planned.

Resource personnel for training programmes are provided by the Development Centre of the Mahaweli Economic Agency at Girandurukotte and those selected for long term training are entitled to a stipend of Rs 450/- per month.

1. FARM EXTENT

	40	Acres arable land
	10	acres non-cultivable
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Total	50	
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2. **CLIMATE**

The farm gets its precipitation mainly from the North-East monsoon from about October to early January, with little rainfall during yala. The annual rainfall is between 1600 to 1700 mm, with temperatures ranging from about 28 to 37° C. The months of July and August are very dry and strong winds are experienced during June/July.

3. **SOILS**

Soils are a combination of Reddish Brown Earths and Low Humic Gleys. The arable land area has apparently good drainage which is manifested by the healthy growth of permanent fruit crops.

4. **AVAILABLE FACILITIES**

- (a) The farm is well linked by a very good macadamized highway to Girandurukotte which provides many basic facilities for a comfortable living.
- (b) The farm buildings are well constructed and the farm roads are in good condition.
- (c) The vocational training centre which conducts a meaningful and far reaching programme, has basic facilities for relevant training activities.

5. **IRRIGATION**

There are no serious problems with availability of water and cultivation is done during both seasons.

6. **LABOUR**

The available labour is adequate to carry out the seasonal activities. Wages are relatively cheap, at Rs 50/- per day, for both male and female labour.

7. **CROPPING**

Being a Demonstration Farm, there are permanent crops of fruit trees comprising 16 different varieties, with orange, banana and passion fruit grown on a large scale. A wide range of vegetables and other field crops are cultivated during maha and yala to cater to relevant training programmes.

8. **OTHER ACTIVITIES**

The vocational training centre has a roll of 55 students currently engaged in long term training programmes of one or two years. The different disciplines include carpentry, masonry, motor mechanism, welding and lathe work. On successfully completing their examinations, certificates of competence are issued by the National Apprentice & Training Authority, which apparently are well recognized in Sri Lanka.

9. **SETTLERS**

The number of registered settlers in the vicinity of the farm are as follows.

Homberiyawa	-	307
Agalaoya	-	206
Millethawa	-	351
Galpuruyaya	-	223

Cultivation is done during both maha and yala seasons with paddy and other field crops.

10. **CONSTRAINTS**

- (a) Lack of telephone, electricity and water services to farm buildings.
- (b) The need for appropriate and adequate machinery and equipment to strengthen the vocational training centre.
- (c) A well trained, qualified and experienced Manager, to be in overall charge of this multi disciplinary training centre seems justifiable.

11. **RECOMMENDATIONS BY THE CONSULTANT**

- (a) 50 acres for a Demonstration Farm handling the current programmes appear far in excess. The original extent of 10 acres indicated in the project plan for this set up, is most appropriate and adequate to sustain the on-going programmes, with the limited resources.
- (b) Relatively large extents of permanent fruit crops eg. 3 ac. orange and 3 ac. banana etc. are not relevant or important to the on-going activities of this Farm. A model orchard comprising two trees of each fruit crop would more than suffice, current training programmes. This will also enable better management and maintenance of the Farm, with the available limited finances and other resources.
- (c) The correct English spelling of Botanical names of fruit crops etc. in the several boards seen all over the Farm should be checked by a competent officer before being exhibited. This is a Demonstration and Training Centre, where the trainees should not carry back wrong descriptions or names of plants. The Consultant assisted the Farm Manager in correcting some of the wrong English spelling seen in the Botanical names etc.
- (d) The vocational centre which conducts a meaningful programme, indicated lack of funds for better machinery & equipment for teaching [purposes. This appears a most justifiable request and every attempt must be made to satisfy their needs even at the expense of other commercial farms under the Mahaweli Economic Agency.
- (e) Considering the multi-disciplinary training activities of the vocational training centre, a qualified, experienced and a competent Manager appears justifiable to sustain the meaningful and far reaching objectives of this undertaking.