Marketing Chain Analysis of Rice Production in Ampara District, Eastern Part of Sri Lanka

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This study was initiated to examine the rice marketing chain system in Ampara district of Eastern province which is most famous geographical point for rice production in Sri Lanka. The objectives of this study were, to analyses the structure of marketing chain, to examine the channel members in this chain, to understand the determinants of rice supply, to find out the major constraints in marketing the rice in this region. The data were collected by interviews with 42famers, 15millers, 10 business community, and 06 middle men by using self-administrated questionnaire and checklists. This was enhanced by several secondary data such as published materials. The results obtained from this analysis indicates that educational level and experiences in rice business of the farmers, millers, business community, price and profit of rice and seasonal variety of rice, quantity and quality of rice were found to be the most important variable which were designed the marketing chain of the rice market in Sri Lanka. The main marketing determinates of rice marketing were famers, business community, millers, and middle man. However, few rice producers are channeled or distributed to household consumers as direct selling small medium entrepreneurs. Further rice marketing price and profit performance also measured with the past ten years' price and profit data through the interviews of marketing channels. In addition to these findings, this study has found that several business-related issues such as maintaining low cost production methodology, chemical free production, lack of modern technology, and value adding methods targeting export and local business, etc. This study will help to policy decision makers of this rice business sector.

Key Words: Rice, Production, Marketing Chain, Price, Profit,