

LOSS TREASURE OF SRI LANKA: A STUDY ON THE TEA EXPORT COMPETITIVENESS

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Sri Lanka stands at important crossroads as it makes a decisive transition into a middle-income economy. Within the competitive market, Sri Lanka should focus on strengthening its foreign exchange earning capacity through the export of goods and services. Export development plays an important role in promoting economic growth and development. To promote economic development and survival in the global competitive market, export competitiveness is an essential component of a country. Considering the export goods, Sri Lanka had the extraordinary years of trading experience for tea with the rest of the world. There is a vital need to analyse Sri Lankan tea export performance in global competitive market. The main purposes of this study are to comparatively examine the tea export performance of Sri Lanka and identify the main challenges of it. Trade statistics in International Trade Center (ITC) and statistics related to Sri Lankan tea industry used as secondary data sources and industry expert's ideas gathered to identify main challenges. This paper clearly highlighted that last decade tea export performance of Sri Lanka has turned down when comparing other tea exporting countries. It is further validated that volume of the tea exported from Sri Lanka to the top 6 tea importers in the world has come down from 2001 to 2012. If this behaviour is extended to the rest of the key markets, Sri Lanka's export revenue may be in trouble. In sum, all is not lost. The recipe is not found in the past. The country can learn lessons from past mistakes. It is required to identify the factors affecting on tea export competitiveness of Sri Lanka. Further study will focus to conduct a study to find out the factors affect on export competitiveness of tea industry of Sri Lanka.

Keywords: Competitiveness, Sri Lanka, Tea exports