

## **Sri Lanka moves to upgrade rubber infrastructure to play 2022's \$ 4 Bn target**

Colombo, 16 September, (Asiantribune.com): As global rubber prices are set to soar, Sri Lanka is moving to upgrade its rubber sector to capitalize on the trend-and also to play the \$ 4 Bn rubber exports target set for 2022.

"I am pleased to announce that we are launching the first ever national rubber industry survey next month. We are also now looking at creating high end rubber testing lab facilities that the industry needs. All of this will contribute to Rubber Masterplan which looks to generate \$ 4 Bn rubber exports by 2022" announced Rishad Bathiudeen, Minister of Industry and Commerce of Sri Lanka.

Minister Bathiudeen announced this in the aftermath of special meeting held with the representatives of Sri Lanka Association of Rubber Product Manufacturers and Exporters (SLARPME) on the same day at the Ministry of Industry and Commerce, Colombo 3. The rubber industry delegation was led by Justin Seneviratne, Vice Chairman of SLARPME. Seneviratne is also a Director of Lalan Rubber Private Ltd.

- Third largest export Industry in the country praises Rishad for pioneering two surveys that the sector needs
- First survey starts next month, outlay at \$ 22700 (Rs 3 Mn)
- Findings to become input to ADB's CCED model

"This will be the first trade focused national rubber survey in the country and I thank you, the SLARPME for collaboration. Once the survey is completed we will create a database. The findings will then be fed to the comprehensive Rubber Labour force development survey that follows" Minister Bathiudeen said.

"Apart from the Rubber Masterplan, my Ministry itself had already identified rubber as one of the thrust areas for development. Therefore the survey findings also will be used in Asian Development Bank's CCED model" Minister Bathiudeen said.

The City Cluster Economic Development model (CCED) of the Asian Development Bank has selected Sri Lanka's rubber industry as a pilot and its Phase III is expected to end in December this year. In addition to the Ministry of Industry and Commerce, ADB also partners with Ministry of Plantation Industries and the private sector on the CCED initiative.

The representatives praised Minister Bathiudeen and his ministry for initiating the first ever comprehensive national Rubber Survey in collaboration with SLARPME. "This survey and the Rubber Labour force development survey that follows next are the essential next step for our rubber industry which is the third largest export earner. We most welcome this initiative and praise the Ministry for preparing a comprehensive evaluation" SLARPME Vice Chairman Seneviratne said.

The first survey to start next month which will survey the industry's production, factories, employee numbers, and labour issues will be

completed at a minimal cost of \$ 22700 (Rs 3 Mn).

Rubber reps also informed Minister Bathiudeen of their need for accredited export rubber quality testing lab facilities. “The existing lab helps us to test for low and minor issues in export rubber but we need a test facility to certify in EN Standards for the EU market and anti-allergenic testing” Seneviratne informed Minister Bathiudeen. “This will greatly upgrade the rubber industry to advance towards the Rubber Masterplan which looks to generate \$ 4 Bn rubber exports by 2022” Seneviratne added. “This can also be achieved by upgrading existing test facilities” he added.

Minister Bathiudeen extended his Ministry’s fullest support towards high end accreditation testing lab facilities as requested by the rubber industry and during the meeting itself instructed his top officials to identify and start necessary activities.

Minister Bathiudeen also informed of his plans to support the industry by making arrangements to provide training and development that has become a dire need for the sector. “We will look into the possibility and feasibility to provide these facilities for the rubber sector through Sri Lanka Institute of Textile and Apparel (SLITA) under my Ministry. I believe the training infrastructure of SLITA can also be made available to rubber industry which we are happy to do” Minister Bathiudeen responded.

As the world’s 7th largest natural rubber producing country, Sri Lanka offers many types and grades of rubber such as RSS, pale crepe, sole crepe, technically specified rubber and specialty rubber. Sri Lanka’s rubber products are exported to sophisticated markets such as Europe and USA and do not have any problem in adhering to international standards. In 2011 the total rubber production (raw rubber and value added) generated over \$ 1.1 Billion in terms of revenue.

Rubber and rubber products also accounted for 10.4% of the total exports of the country, becoming third largest export category only below tea and exports leader, apparel. Value added Rubber accounted for 80% total rubber exports. Rubber coverage in Sri Lanka is about 125,000 Hectares of land and the annual production exceeds 153,000 tons.