

Trade Barriers to Develop Export Market of Sri Lankan Desiccated Coconut Industry

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The desiccated coconut industry is one of the main export-oriented food processing industries in Sri Lanka. The European Union and the United States of America are the main markets for Sri Lankan desiccated coconut, followed by countries like Canada, Asia, and the Pacific Rim. The main objectives of this study were to identify the trade barriers for exporting. This study utilized primary and secondary data. The primary data were collected through a questionnaire-based survey, and the secondary data were gathered from the reports of the Coconut Development Authority and also using the Trade Map. The main export barriers under the main five categories were figured out through the discussion with exporters, and officials of the Marketing Development and Research Division of Coconut Development Authority. Accordingly, a questionnaire was developed and 50 desiccated coconut exporting and manufacturing companies were interviewed. Descriptive analysis and bivariate correlation analysis were done. Descriptive analysis reveals that there are a high price and export volume fluctuation over years and a variety of destinations that export desiccated coconut in Sri Lanka. According to the correlation analysis, the resource barriers, product barriers, process barriers, and market barriers showed a significant negative correlation with the average income, whereas the knowledge barriers and market barriers show a positive significant relationship with the average income. Further, the resource barriers and market barriers were negatively correlated with the cost of production and the product barriers were positively correlated. Based on the findings, the government should intervene in providing technical knowledge and trade facilitation to improve production.

Keywords: Desiccated coconut, Trade barriers, Export market, Sri Lanka