

Waste investments: Factors influence on the Investment in Organic Fertilizer Production in Sri Lanka

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Organic fertilizer production by solid waste management is growing environmental friendly method today. However, large scale investments on production of organic fertilizer have not in the optimum level in many of developing countries including Sri Lanka. This study investigated the factors influence on the investments on the organic fertilizer production using solid waste. The primary data collected from five organic producers and thirty five organic fertilizer users selected by systematic random sampling in five Divisional Secretary Divisions in Gampaha district in 2014. The data analyzed to estimate Price Elasticity, Cross Elasticity and Supply Elasticity. The results revealed the main reason for the low level of investment in organic fertilizer industry in Sri Lanka is due to the cross elasticity on the demand of organic fertilizer. The government policy on fertilizer subsidy should be revised in order to promote the investments on production of organic fertilizer.

Key Words: Organic Fertilizer, Factors of Investment, Solid waste in Sri Lanka

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