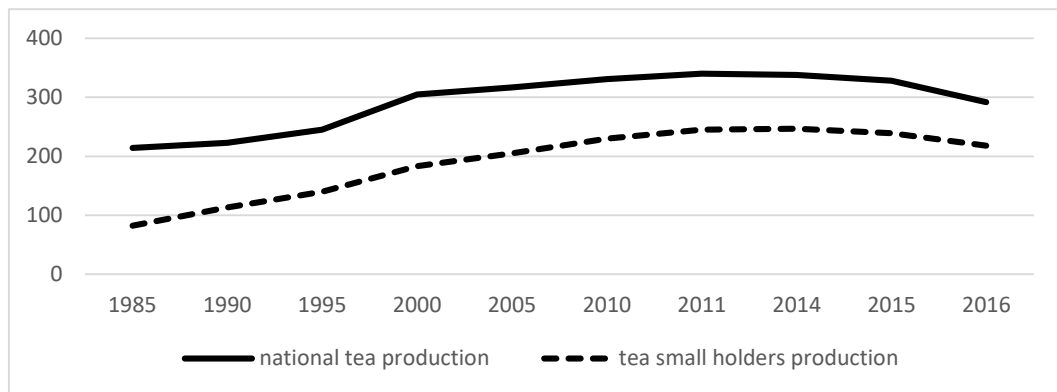


Figure 02: Tea Production of Tea Small Holding Sector from 1985-2016



Source: Sri Lanka Tea Board

According to figure 02, there was some fluctuation of annual tea small holdings production. Year 2009 was the year which reported the lowest production of tea and it was Million 291 kg and the production of the tea small holders faced a considerable drop in year 2016 and therefore the production was reduced to 292.57 Million Kgs. However, it marked an increase in the production by 16.1 Million Kgs Compared to year 2009. But, due to the unfavorable weather conditions in year 2016 the national tea production dropped by 11.4% and the Tea Small Holding Sector faced a drop of 9%. Increase in the production and productivity in the tea smallholdings sector mainly caused the increase in the national tea production both in years 2015 and 2016 too. Tea smallholdings sector contribution for national tea production in year 2016 consisted of 96% of total low country tea production, 61% of median country tea production, and 19% of the total up country tea production. In addition, 81% of the total private sector tea production even in year 2016 belonged to low country tea production.

Compared with year 2015, in 2016, up country tea production in the tea smallholdings sector has been decline by 10.7% while median country tea production has been escalated by 8.8% and low country tea production has been declined by 9%.

Major reason for this decline was the extreme weather conditions prevailed with showers during the end of the year 2016 and as a result, the unfavorable situation for leaves production. Especially the escalation of prices for row leaves, increase of incentive amount for tea plantation, dividing large extent of lands and directing lands without optional crops to cultivation of tea have resulted in the increased of number of lands in the tea small holdings sector.

## Conclusion

The Tea Small Holding Division has made the highest contribution to the overall tea output of Sri Lanka. The tea production in year 2016 faced a special backdrop due to unfavorable weather conditions. However, the contribution to the national production has been improved