

**IMPACT OF SUSTAINABLE PRACTICES AND GOVERNMENT
SUPPORT ON THE PERFORMANCE OF SMALLHOLDER TEA
FARMERS IN RATHNAPURA DISTRICT**



BY

D. M. S. S. BANDARA

EU/IS/2018/BST/019



FTC268

Main Library, Eastern University, Sri Lanka

Department of Biosystems Technology

Faculty of Technology

Eastern University, Sri Lanka

2025

ABSTRACT

Tea is one of the most popular and affordable beverages globally, and in Sri Lanka, it serves as a major export commodity that significantly contributes to the national economy, ensures employment for a large segment of the population, and benefits from government support and the adoption of sustainable cultivation practices. Smallholder tea estate owners manage approximately 60% of the country's tea land, accounting for about 70% of total tea production. However, these smallholders often rely on traditional farming methods, which can limit both productivity and sustainability. Despite these challenges, the role in the local economy and rural development remains crucial. This study aims to explore how government support and sustainable practices influence the performance of smallholder tea estate owners in the Rathnapura district. A sample of 105 smallholders was selected through simple random sampling, and data were collected using a pre-tested structured questionnaire. The data were analyzed with SPSS version 24, applying descriptive statistics and multiple regression analysis. Demographic analysis revealed that 57.1% of the farmers were over 50 years old, 82.9% had a secondary education, and 53.3% of the respondents relied solely on tea cultivation for income, while 46.7% of respondents had other ways of income. The regression analysis explained 32.1% of the variance in performance, with an adjusted R-square of 0.566, suggesting a good fit. The results showed that sustainable agricultural practices ($p=0.207$), access to information and technology ($p=0.079$), land size ($p=0.028$), type of involvement in tea cultivation ($p=0.039$), marital status ($p=0.059$), age ($p=0.690$) and gender ($p=0.299$) affected positively and negatively on the performance. Land size and the type of involvement in tea are identified as the most significant variables in this model, with land size having a positive impact on the outcome and tea involvement negatively affecting it, while other factors such as age, gender, and income do not have a notable effect.

Keywords: Government support, Rathnapura district, Smallholder farmers, Sustainable practices, Tea cultivation.

TABLE OF CONTENTS

DECLARATION.....	III
DEDICATION	IV
ACKNOWLEDGEMENT	V
ABSTRACT	VI
TABLE OF CONTENTS	VII
LIST OF FIGURES	X
LIST OF TABLES	XI
ABBREVIATION	XII
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the Study	1
1.2 Problem Statement	2
1.3 Research Gap	3
1.4 Purpose of the Study	3
1.5 Objectives of the Study	4
1.5.1 General Objectives	4
1.5.2 Specific Objectives	4
1.6 Research Questions.....	4
1.7 Significance of the Study	4
CHAPTER TWO	6
LITERARY REVIEW.....	6
2.1 Tea Industry.....	6
2.2 Introduction to Smallholder Tea Farming in the Ratnapura District	6
2.3 Overview of Tea Farming in Ratnapura.....	6
2.3.1 Challenges and Adaptations.....	7
2.3.2 Importance of Smallholder Farmers	7
2.3.3 Sustainable Practices	8
2.4 Government Support.....	14
2.4.1 Role of Government Support in Enhancing Smallholder Performance	14
2.4.4 Effectiveness of Government Policies in Promoting Sustainability ...	16
2.4.5 Impact of Sustainable Practices and Government Support on Yield and Profitability	16
2.5 Sustainability Certifications and Market Access	17
CHAPTER THREE	20

RESEARCH METHODOLOGY.....	20
3.1 Introduction.....	20
3.2 Research Design.....	20
3.3 Study area.....	21
3.4 Target population and sample size	22
3.5 Data and data collection method.....	23
3.5.1 Data Types	23
3.5.2. Survey (Questionnaire) as a Data Collection Method	23
3.5.2.1 Questionnaire Design	23
3.6 Data analysis	28
3.6.1 Descriptive Data	28
3.6.2 Inferential Statistics	28
3.7 Validity	28
3.8 Ethical consideration.....	28
CHAPTER FOUR.....	29
RESULTS AND DISCUSSION.....	29
4.1 Introduction.....	29
4.2 Respondent’s demographic information	29
4.2.1 Response rate	29
4.2.2 Gender	30
4.2.3 Age.....	31
4.2.4 Marital Status.....	32
4.2.5 Educational Qualifications	32
4.2.6 Main source of income	34
4.2.7 Monthly income.....	34
4.2.8 Land size.....	35
4.2.9 Farming experience	35
4.2.10 Family Size	36
4.2.11 Type of involvement in tea	37
4.2.12 Ownership.....	38
4.3 Regression Analysis	39
4.3.1 Model Summary	39
4.3.2 ANOVA	40
4.3.3 Coefficient	41
CHAPTER FIVE	44
CONCLUSION AND RECOMMENDATIONS	44
5.1 Conclusion	44
5.2 Recommendations.....	44
5.3 Future Research Directions.....	45
REFERENCES	46

