

#### Beneficiary

Cinnamon industry in Sri Lanka,  
including cinnamon peelers and processors

#### Led by

UNIDO, with The Spice Council of Sri Lanka

#### Time-frame

July 2012 - October 2016

#### STDF funding

US\$705,600

(total project value US\$2,205,600)



## SRI LANKA'S CINNAMON EXPORTS GET A COMPETITIVE EDGE IN GLOBAL MARKETS

### The safe trade gap

Ceylon cinnamon is one of Sri Lanka's most sought after exports, with the country producing four-fifths of world output. At the same time, the industry has been supporting the livelihoods of 70,000 small farmers and employing over 350,000 people. However, over the last decade the country's cinnamon exports have been falling in the European and Northern American markets as a result of not being able to meet global buyers' demands on food safety and hygiene standards. In addition, the industry faced a severe labour shortage due to migration and the social stigma associated with cinnamon peeling.

### Partnership approach

Since 2012, a strong public-private partnership has brought together the Sri Lankan government, UNIDO, and The Spice Council – the apex body representing the cinnamon industry – which has helped to mobilize additional assistance. The partnership focused on boosting the productive capacities and competitiveness of the cinnamon value chain and on increasing exports to high-end markets. Vocational training on improved food safety and hygiene practices was rolled out along the value chain. Infrastructure at selected production centres was upgraded, which has improved working conditions in the industry. This, in turn, has triggered a transformational change in the sector.

### Results

- A nationally accredited vocational training programme was developed, which promotes internationally recognized food safety certification. As a result, the Cinnamon Training Academy now provides National Vocational Qualifications for cinnamon factory and field officers.
- Awareness-raising and National Vocational Qualification training on food safety and hygiene practices have reached over 1,000 people.

- Six cinnamon processing centres have been upgraded, allowing them to obtain Good Manufacturing Practices certification. Among those is the Kahawatte Plantation, where the majority of workers are women.
- More cinnamon peelers and processors (including women) have joined the sector thanks to certified vocational training and decent working conditions. Social marketing has helped to mitigate the social stigma associated with cinnamon peeling and promote career opportunities in the sector.
- Branding and market positioning helped to stem the decline of Ceylon cinnamon's share in international markets, which has improved the living standards of communities across the industry.

### Sustaining impact

- The project provided the assessment based on the underlying safety and quality standards to enhance the "Pure Ceylon Cinnamon" mark, supporting Sri Lanka to move forward with its aim to obtain Geographical Indication. The trademark is in the process of being registered in high-end markets, including the EU, the US, Colombia and Peru.
- Through the public-private partnership, the project has supported the development of a roadmap for the Ceylon cinnamon value chain to reach the country's goal to "make cinnamon a one billion dollar industry".
- As a result of greater global competitiveness, businesses such as Cinnamon Legends have been able to expand operations and are currently the number one exporter of "Pure Ceylon Cinnamon" worldwide.

*"The project has really improved the conditions of families involved in the cinnamon industry".*

**Sarada De Silva,**  
Cinnamon  
Training Academy,  
Sri Lanka

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