



**SRI LANKA**  
South Asia Region

## COUNTRY STATS

### POPULATION (2022):

22.18 million (Urbanization 18.4%)

### GDP (2022):

USD \$77.1 billion

### AVG. ECONOMIC GROWTH (2016-2022):

0.69%

### PER CAPITA INCOME (2022):

USD \$3,474

## MARKET SNAPSHOT:

# SRI LANKA

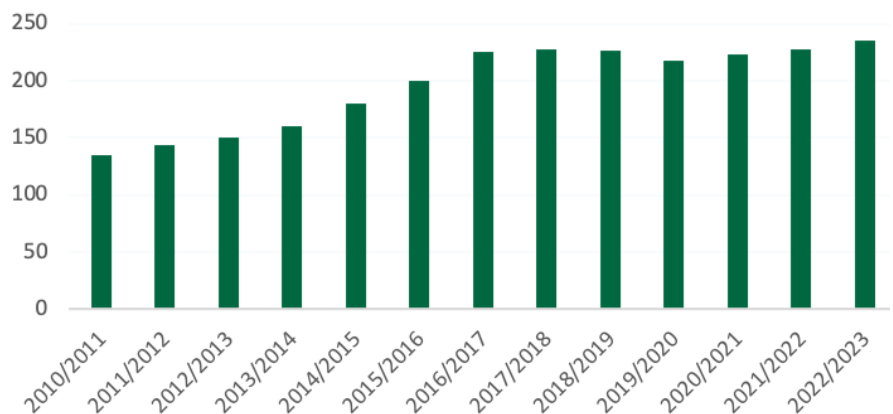
Sri Lanka is an island nation off the coast of India with a Gross Domestic Product (GDP) per capita about 80% higher than that of India. Agriculture contributes 7.5% to the national GDP, out of which the fisheries sector contributes 1% and the livestock sector 0.7%. The poultry industry largely contributes to the livestock sector.

U.S. Soy has collaborated in Sri Lanka since 2008.

## MARKET STATS

- The annual requirement for soybean meal in animal feed production is estimated at 210-240 MT for 2023/2024.
- The poultry sector has regained its stability and has grown in the last quarter of 2023.
- Depreciation of the Sri Lanka currency raises the production cost and affects consumer purchasing power.
- U.S. soybean meal exports to Sri Lanka were estimated at \$101 million in 2023.
- The textured soy requirement is equal to about 12,000 metric tons (MT) per year. The major non-genetically modified organism (GMO) soy food product in Sri Lanka is soy nuggets.

### Sri Lanka Soybean Meal Consumption (1000 MT)



MT=metric tons

## STRENGTHS

- There is a strong preference for U.S. Soy with more than 70% market share, based on the essential amino acid profile, higher digestibility, lower fiber and the reliable supply chain.
- Sri Lanka does not have avian influenza and has not yet been impacted.
- The country has a relatively high GDP per capita and disposable income when compared to other South Asian nations.
- Sri Lanka is leading the region in sustainability, and in 2023 nine customers adopted the “Fed with Sustainable U.S. Soy” label on their products.

## OPPORTUNITIES

- An evolving lifestyle is moving toward quality food and quality protein, yet more than 25% of the child population is still deficient in protein.
- State-of-the-art processing plants and international quality standards in chicken processing and cold chain management provide the opportunity to enter the export market.
- While Sri Lanka as a nation has embraced eco-tourism and sustainability, its adoption of the U.S. Soy Sustainability Assurance Protocol (SSAP) is now rapidly increasing.
- An increase in the non-GMO tolerance from 0.5% to the international standard 0.9% has helped facilitate non-GMO trades, and a recent failure in mandating organic agriculture has opened the doors for regulators to consider allowing GMO corn and soybeans into the country, but at this point, only processed products are allowed.
- A de facto ban on corn imports results in the energy portion of feeds being artificially high. This creates a great opportunity for U.S. Soy, which has a high energy content because of sucrose and sugars.

## CHALLENGES

- The country is currently recovering from an extreme financial crisis and is still overly burdened with debt, which has created a lack of U.S. dollars in the economy.
- While the port of Colombo is ranked 17th in the world, its inland infrastructure is in poor condition.
- Currently there are no import tariffs for soybean meal; however, officials are wondering about the potential to generate U.S. dollar revenue.
- There is a lack of energy availability in poultry rations, due to a de facto ban on commodity corn imports that inhibits growth and makes feed production artificially high.

### Sources:

- World Economics
- United States Department of Agriculture | Foreign Agriculture Service GAT

