

NDB pioneers ‘Cinnamon to the World’ - a giant national initiative to ‘spice- up’ the local industry

As part of its continued efforts to promote the development of export oriented crops, NDB pioneered ‘**Cinnamon to the World**’, a giant national initiative that aims to empower the Cinnamon growers, exporters and Cinnamon related product manufacturers in the country; with a vision to stimulate Cinnamon export growth in Sri Lanka.

The initiative was ceremoniously inaugurated at an event held on Monday, 27th January with the patronage of Hon. Ministers Basil Rajapaksa (Cabinet Minister of Economic Development) and Reginold Cooray (the Minister of Minor Export Crop Promotion) as chief guests. An online information hub for Ceylon Cinnamon ‘www.cinnamontotheworld.com’ was launched at the event by Hon Minister Rajapaksa; thus providing the world with easy access to a compilation of insightful information on ‘**Ceylon Cinnamon**’. Export Development Board, Spice Council of Sri Lanka and the Ceylon Chamber of Commerce, are strategic partners to the initiative. Leo Burnett, the creative partner for NDB’s ‘Cinnamon to the World’ initiative was the event manager while the online strategy is spearheaded by the Social media partners, 230interactive.

NDB’s ‘Cinnamon to the World’ is a long term strategy rolled out to partner the industry; with a view to help ‘Ceylon Cinnamon’ achieve recognition as an international brand synonymous with the country’s unique identity. As such, NDB’s association with the industry will span from grass root level home growers to large scale exporters. This affiliation will not only be limited to financing but will also encompass empowerment and strengthening of the support system; thus creating a conducive environment for accelerated growth.

Sharing NDB’s vision on the initiative, Chief Executive Officer of NDB Rajendra Theagarajah said, “*As a Bank dedicated to foster national development, NDB has continuously placed special emphasis on the export sector, given its importance to the national economy. The Bank has hitherto focused its support to selected industries such as Tea, handloom and mask making. This long term endeavour to support the Cinnamon sector is a continuation of our allegiance for developing the export potential of the country and promoting Sri Lanka as a distinguished international brand for authentic produce.*”

“*Through the ‘Cinnamon to the World’ initiative, we hope to facilitate industry growth directly and indirectly. NDB will certainly play the role of a financier, enabling small scale*

home growers, empowering manufactures of cinnamon related products and reinforcing the medium and large scale exporters. Further, NDB will also facilitate industry linkages that enable knowledge sharing and development of minor stakeholders of the industry; while easing global market access for Ceylon Cinnamon by generating greater exposure through a robust international branding campaign.” Mr. Theagarajah pledged.

In furtherance of the long term objectives for the industry, NDB has concurrently launched a **‘grow cinnamon’** campaign through promoting of microfinance facilities to home growers. This programme was inaugurated at a ceremony held in Matara recently, with the disbursement of microfinance facilities to over eighty selected growers in the area. The micro loan facilities funded under concessionary rates is expected to encourage the small scale growers to remain in the industry.

With a view to create a national consensus on development intents for the Cinnamon industry, NDB has joined hands with the Ceylon Chamber of Commerce (CCC), Galle Chamber of Commerce, Export Development Board and the Spice Council of Sri Lanka to initiate knowledge forums aimed at the development of small and medium stakeholders of the industry. Such initiatives that enable industry linkages are expected to bear long term impacts on the advancement of the sector.

A series of other strategic initiatives are scheduled to be pioneered by NDB in relation to the Cinnamon industry in partnership with the Export Development Board, Ceylon Chamber of Commerce and the Spice Council of Sri Lanka. Promoting Ceylon Cinnamon through sponsorship of strategic events, showcasing Sri Lankan Cinnamon at export and local exhibitions as well as conducting capacity building programmes that empower the lower end of the sector are reserved to take precedence in the bank’s agenda through the year.

“Today, Ceylon Cinnamon or True Cinnamon as it is often referred to, is considered the finest of all cinnamon and is sold all over the world. It has brought in approximately US \$ 12,630 Million of revenue to the country in 2012, and is envisaged to yield over US\$ 1 Billion in foreign exchange along with other spices and allied products in the year 2020. We believe that modernisation, providing technology support, sharing of greater expertise; encouraging innovation and improvement of the overall quality of Ceylon Cinnamon would shift gears of the industry, accelerating it to the next level. Thereby, improving the lives of rural workers and enhancing Sri Lanka’s brand image around the globe; while contributing to the national economy through improved export income. Thus, NDBs ‘Cinnamon to the

World' initiative is also a part of our commitment not only to the industry but also to the national economy" Theagarajah further opined.

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Note to editors:

Cinnamon (*Cinnamomum Zeylanicum* Blume) is one of the oldest and most significant spices grown in Sri Lanka. Cinnamon was a popular spice in ancient Arab world and was used as cosmetic and pharmaceutical ingredient as well. Firstly the Arabs and then Europeans monopolised the cinnamon trade in the early years and this brought Sri Lanka in contact with other parts of the world. Cinnamon had played a major role in world history, where the quest for Cinnamon was one of the foremost enticements that led to voyages of world exploration close upon the 15th century.

The traditionally known cinnamon was the peeled cinnamon bark rolled in to quill form. Except for authentic cinnamon, almost all other EACs are cultivated in many other countries in large bulks. But over time, pure Cinnamon production has remained and been conserved in its original nature only in Sri Lanka. It is here, that you would still find pure Ceylon Cinnamon, promising its real exotic fragrance, unique taste and charmed medicinal values. As such, Sri Lanka has a clear comparative advantage as the only producer of natural Cinnamon for the global market place.

Cultivation of the spice began and is today concentrated along the coastal belt from Negombo to Colombo and further south including Hambantota.

Export market and future:

The main export category for Sri Lankan cinnamon is bulk form with a share of 65% of the total cinnamon exports, while the share of value added cinnamon products (such as cut cinnamon, oil forms, oleoresins, powdered forms, tablets, etc) is only 35%. There are 12 different products being exported in bulk; which include cinnamon and cinnamon tree flowers, cut quills (in retail packs of 1kg or less), cinnamon featherings, chips, crushed cinnamon and ground cinnamon.

Some uses of cinnamon:

- Cinnamon is mostly used in cooking and baking, it can be added to food item such as salads, confectionaries, beverages, soups, stews and sauces.

- Value added products such as cinnamon flavoured tea are growing in popularity, while it is also consumed in some parts of the world by immersing pieces of bark in hot water.
- As a common ingredient in Aurvedic medicine.
- Cinnamon is used to flavour food products.
- As an ingredient in the perfumery industry and in pharmaceutical industry.