

**ECONOMIC EVALUATION OF CONSERVATION FARMING AS AN  
ALTERNATIVE FOR CHENA CULTIVATION**

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Despite the rapid reduction in chena cultivation activities due to expansion of irrigable lands, chenas still remain as an important farming system. This is because some of the agricultural lands located in the dry zone will almost be impossible to be irrigated economically. The potential chena extent is around two million ha. and currently around 35,000 ha. are cultivated annually.

Chena cultivation is considered as an inefficient land use system and it is argued as a non sustainable system of land use under the present context of land pressure.

Uncertainty with the property rights of the chena lands is a problem for sustainable systems as most of the chena lands are being cultivated illegally on crown lands. Long term investments on conservation farming will not take place unless the farmers have legal protection to the chena plots.

In order to recommend conservation farming as an alternative system to chena cultivation, economic evaluation of the potential and the existing systems are needed. In the short run, returns from chena cultivation is more than that of conservation farming. However, in the long run, when all the costs and benefits are taken into consideration conservation farming is superior to chena cultivation.

This paper presents the results of total benefit-cost analysis highlighting the importance of including all the externalities and the non market components into the calculation : providing additional information to the evaluation process.

Con. farm → 4611 Refka  
Hydro → cultivation  
Hydro culton  
Homestead  
Chena farm