

Contribution of commonly used medicinal plants to the natural products market in Sri Lanka

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About 35% of the population in the country is primarily dependent on Ayurveda and traditional systems of health care. The economic values of medicinal plants have not yet been established leading to non recognition of their values that will lead to inefficient level of conservation.

The main goal of the research was to investigate how the medicinal plants contribute to the natural product market. It is achieved through two specific objectives. The first is determination of market value of commonly used medicinal plants used in Ayurvedic drug preparation industries and secondly, determination of market value of commonly used medicinal plants sales in Ayurvedic retail sale centers.

Market Price Method was adopted and a mail survey was conducted using structured questionnaires for Ayurvedic drug preparation units and a face to face interview has been carried out for retail sale centers. Data was gathered by retail sale shops in seven districts and 10% from each were surveyed.

According to the results the annual economic value of medicinal plants which are used in drug production units was Rs. 53.33 million and the value for retail sale centers was Rs. 49.35 million. The total annual national economic value was Rs.102.69 million. The highest economic value has been for *Binkohomba* that is Rs.9.29 million.

The main difficulty faced in this survey was the poor response rate both in the face to face survey and the mail survey. The constraints of the market price method are non addition of food and spice values, house hold remedies values and indigenous and endemic value of medicinal plants. And also this estimated value is an underestimation of the true economic value due to the survey constraints, the validity of the information collected, non inclusion of non use values of medicinal plants, non inclusion of the shadow values of the drug and non inclusion of consumer and producer surplus.

Such economic values on medicinal plants will provide important criteria for formulation of policy decisions to manage and conserve the medicinal plants.