

## **EVENT REPORT 03**

### **INTRODUCTION**

This workshop was the follow up of the 1<sup>st</sup> MSMEs workshop, which was held on February 2023. This is a collaborative effort, which was value addition to the regional industries among stakeholders to boost the MSMEs in the Kilinochchi district. The District Secretariat- Kilinochchi was partnering with University Jaffna via University Business Linkage – Jaffna (UBL-Jaffna), National Incubation Center – University of Jaffna, and the Faculty of Engineering.

The workshop brought selected set of MSMEs from the Kilinochchi district together with University students and staff from Faculty of Engineering. This gave excellent exercise to explore the challenges faced by MSMEs and to identify new approaches to overcome. A group of students visiting a related industry and participating in the Workshop and involving the projects to enhance MSMEs while satisfying their needs.

A panel of experts led by Professor Kanes K. Rajah conducted the panel discussion to brainstorm solutions to the MSMEs problem. Professor. Kanes K. Rajah is an advisory board member of the UBL-Jaffna and he is a world-renowned expert in the dairy industry, entrepreneurship, management and business development. He has kindly agreed to contribute his valuable time for the regional initiatives focused on the development of MSMEs. During the years 2016 and 2023, he participated in a similar program conducted by the UBL on Business model innovation for MSMEs.

### **Individual discussion with professor Kanes K. Rajah**

Every MSMEs sector participants were given opportunity to have an individual discussion with Professor Kanes K. Rajah. This was very helpful program for those MSMEs to get the mentorship for their business growth. Many of them were appreciated the advises and services of this program.



**Figure 1.1**



**Figure 1.2**



**Figure 1.3**



**Figure 1.4**



**Figure 1.5**



**Figure 1.6**

#### **IDENTIFIED PROBLEMS AT THE MSMEs**

- **Difficult to compete the current market to promote their products:** It was also discussed to initiate a digital platform (Online marketing) at a central place like incubation center to give an opportunity to showcase those MSMEs products, which may leads to increase their business.  
Here it was requested to make one common platform, who could help to make a common website or common online marketing as free of charge. This will help MSMEs a lot to boost their product in the market.
- **Difficulty in getting investment:** Here it was discussed that they may be able to get connected with foreign wholesale supper markets. This will also help to enhance their business, through establishing this physical platform, and thus will bring some more money for investing in their business.
- **Big capital investment needed for buying the equipment and machineries:** For this a careful study of their production pattern and process. This will help them to understand which portion of their work to be semi-automated. Accordingly they

may be able to get those required machineries which may bring them a quick payback for their investment. This is something like “walk-through energy audit” or similar arrangement, which will help them to understand the operations in their production path.

- **Certification and Semi-automation process:** Especially Palmera is doing the certification but it is also to be done frequently and the MSMEs employees are leaving or changing time to time. This creates a big challenge to the MSME sectors, especially in this current economic crises situation skill labors are leaving to the foreign country. This is very challenging now. Keeping the same person to work is also challenging, especially in Kilinochchi district. This also create challenge in obtaining the certification process due to lag of experience staff. Therefore if we get machinery for some part of the manufacturing process, then it will help to minimize the dependency on this skill laborers. Thus will compensate some of the losing components due to lag of skill laborers and this make MSMEs life much easier too. Something like replacing the human resources with grinders, crushers, packing, etc... Further making it to be automated also help to keep up the quality.
- **Building up the trust between us SME sector and the buyers:** This also challenging to us.
- **Providing training on the manufacturing process:** It was also requested to deliver some **Training on food technology or production process.** It was told that it will be much beneficial to those relevant MSMEs.
- **Unique and targeted special features:** Organic production is one of the unique, where we can also promote as from Kilinochchi district. We are using traditional methods for making matured fruits. The traditional methods could be done through automation by building up a chamber for this. Chamber facility is expected with temperature control. This is for the fruits getting properly matured. Something like cooling facility with temperature control will also help for this kind of MSMEs. Solar based cooling / dryer system is needed as per requirement for this pure organic natural and traditional methods to be promotes.

- Dryer is the problem for many applications. It is expected to find a drying technology in a possible cheapest way.
- Investment is also needed to making it much better. About 4 to 6 million rupees of investment is required to make it better interms of fundamental enhancement with simple machineries.
- Fixing expired date is also a challenge as food quality and certification. For one product, when the nutrition testing is to be completed, it requires about 20,000 rupees per product. This is expensive for the MSMEs. Can't this done at the University level.

### **Field visit to Faculty of Engineering, University of Jaffna.**

Finally a field visit for MSMEs members was arranged at Faculty of Engineering, University of Jaffna.

- Here, as the first setup, it was demonstrated on how to develop the biomass dryer in economic way.
- Then visited to the second setup, to demonstrate about the renewable energy park and floating solar technology. This was explained as another possible start up business in Northern Province.
- To demonstrate about the Biogas power plant construction, which was turn the house waste into energy production. Also we can use the secondary benefits as fertilizers production from its waste. (This also explain the ZERO waste concept to any MSME sectors).
- Biofuel manufacturing and replacing petroleum product with Biofuel for vehicles and demonstration also be done. This was demonstrated how to manufacture biofuel as regional manufacturing process. This will make a big impact on the foreign currency exchange.



**Figure 2.1**



**Figure 2.2**



**Figure 2.3**



**Figure 2.4**



**Figure 2.5**



**Figure 2.6**



**Figure 2.7**



**Figure 2.8**