

Finlays' estate companies diversifying into forestry

Two big plantations owning companies controlled by James Finlays Limited have embarked on commercial forestry projects with both Hapugastenna and Udapussellawa Plantations diversifying significant areas of their land in fuelwood and timber.

Hapugastenna has a program to plant 200 ha each year while Udapussellawa will plant 100 ha annually, the company's Chairman/Managing Director R. L. Juriansz has reported to shareholders.

He said that Hapugastenna needed 45,000 cu. metres of fuelwood for all its factories on an annual basis while Udapussellawa required 30,000 cu. metres.

While Hapugastenna's requirement translates into 900 ha of fuelwood plantation based on a 10-year rotation, Udapussellawa's requirement is equivalent to 600 ha. Hapugastenna already has the base for this production.

Juriansz reported that the companies have a timber harvesting unit of a Skyliner, timber loader and three chain saws harvesting timber with the least possible damage to the environment. They have been the first to use a Skyliner in Sri Lanka, he said.

Reporting that both companies were now in a position to supply trans-



Skyliner, the timber harvesting unit - loader and three chain saws

mission poles and sleepers regularly in commercial quantities to the CEB and the CGR, he said they were negotiating with both agencies about obtaining government approval to make these supplies directly.

Hapugastenna has begun planting a commercial forest estate of 300 ha on abandoned tea divisions from Hopton and Kehelwatte Estates.

Juriansz said that this will improve the environment and also provide them a future scheme of income. They have received assistance for their forest program from the Estate Forest and Water Resources Development Project on technical matters covering the planting material, surveys and human resources development.

Hapugastenna was also looking at latent hydro power potential on their estates (Hapugastenna (Tea) and Alupolla). Juriansz said that as they were not in a position to exploit these resources themselves, they have signed a memorandum of understanding with Eco Power Power (Pvt) Limited who will build and operate mini hydro projects at the sites and sell the power to the CEB. Hapugastenna will be paid a percentage on these sales.

Udapussellawa has leased out for 10 years the silent tea factory to a garment production venture. St. Margaret's Tea Factory was not working and was without machinery at the time Finlays took over. Its lease to a BOI approved garment factory has provided Udapussellawa with an additional source of revenue and savings on security expenses, maintenance etc.



Eucalyptus Torelliana planted in 1997/98 on Hapugastenne Estate