



News Release

Economy of Sri Lanka grew by 3.1 percent in 2017

National Accounts Estimates of Sri Lanka 4th Quarter of 2017 and the year 2017

Department of Census and Statistics,

Ministry of National Policies and Economic Affairs

Tel: 94-11-2147071

Fax: 94-11-2877938

e-mail: national.accounts@statistics.gov.lk

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The Department of Census and Statistics (DCS) has released the estimated Gross Domestic Product (GDP) and other macroeconomic indicators for the fourth quarter of 2017 and for the year of 2017.

The Gross Domestic Product for Sri Lanka for the year of 2017 (January to December) at constant (2010) price has reached up to Rs. 9,315,488 Million while GDP value reported for the year of 2016 was Rs. 9,034,290 Million. Issuing a communiqué, DCS states that economic growth rate for the year of 2017 has been estimated as 3.1 percent.

The four major components of the economy; Agriculture, Industry, Services and Taxes less subsidies on products have contributed their share to the GDP at current price by 7.7 percent, 27.2 percent, 55.8 percent and 9.3 percent respectively for the year 2017.

Sri Lanka experienced inclement weather since the year 2016. 'Agriculture sector' of the economy has been affected badly mainly due to the unfavorable weather conditions (severe drought as well as heavy rainfalls) prevailed during last 2 years in many districts of the country, and as a result, 'Agriculture sector' has reported negative quarterly growth rates in all quarters other than 4th quarter of 2017. As a result, the agriculture sector has reported 0.8 percent of negative growth rate for the year 2017. During the year 2017 highest growth rate of 3.9 percent was reported for overall Industrial activities. Meanwhile the Services activities have grown by 3.2 percent, compared to the previous year.

Performance in Agriculture Activities

Overall Agricultural activities reported a negative growth rate of 0.8 percent in 2017. Among the sub activities of Agriculture, some of the agricultural activities have reported negative growth rates during the year 2017, compared to previous year. 'Growing of Oleaginous fruits; Coconut', 'Growing of vegetables', 'Growing of cereals', 'Growing of rice' and 'Marine fishing' reported negative growth rates of 19.5 percent, 16.2 percent, 10.3 percent, 4.0 percent and 2.0 percent respectively. However a number of key agricultural activities have reported positive growth rates. Among them, 'Forestry and logging', 'Fresh water fishing', 'Growing of fruits', 'Growing of rubber', 'Growing of tea', 'Animal production' and 'Growing of Spices' have recorded positive growth rates of 22.0 percent, 10.7 percent, 7.4 percent, 4.9 percent, 4.8 percent, 3.9 percent and 0.5 percent respectively.

Performance in Industrial Activities

The industrial activities have recorded a moderate growth rate of 3.9 percent in the year 2017. Among the industrial activities, the 'Construction' activity, which corresponds to a considerably higher share for the industrial activities, increased by 3.1 percent. In addition, the sub activity of 'Mining and quarrying' recorded 5.9 percent of growth rate.

During the year of 2017, the manufacturing activities which come under industrial activities have grown by 3.9 percent. The major proportion of the generated gross value added of this sector, is shared by the two activities of 'Manufacture of food, beverages and tobacco products' and 'Manufacture of textile and wearing apparel', have reported significant growth by 1.5 percent and 5.7 percent respectively, during the year 2017. In addition, 'Manufacture of rubber and plastic products', 'Manufacture of basic metal and fabricated metal products', and 'Manufacture of machinery and equipment' have grown by 8.7 percent, 8.6 percent and 6.7 percent respectively, when compared with previous year. The value added of 'Electricity, gas, steam and air conditioning supply' has increased by 2.7 percent over the period under consideration.

Performance of Service Activities

Among the three major activities (Agriculture, Industries and Services), the Services activities which corresponds to the highest contribution (55.8 percent) to the GDP, recorded a positive growth rate of 3.2 percent during the year 2017, when compared to the previous year. The performance of Services sector was underpinned specially by the sub activities of 'Programming and broadcasting activities', 'Telecommunication', 'Financial service activities', 'Human health activities', 'Insurance activities' and 'Wholesale and Retail trade' which reported significantly higher growth rates of 13.2 percent, 12.0 percent, 9.4 percent, 7.2 percent, 5.7 percent and 3.8 percent respectively compared to previous year.

Performance in 4th quarter 2017

The DCS revealed that the GDP at constant price for the 4th quarter of 2017 has been estimated as Rs. 2,623,541 Million registering 3.2 percent of growth rate compared to the 4th quarter of 2016. During the 4th quarter of 2017, the Industrial activities have reported 2.7 percent of expansion and Services activities have recorded positive growth rate of 3.2 percent. However during the last quarter of 2017, Agricultural activities have reported a positive growth rate of 7.1 percent.

Issuing a communiqué on releasing 2017 Annual and 4th Quarter National Accounts, DCS stated that a detailed report on the National Accounts estimates for the year 2017 have been published in the DCS website: www.statistics.gov.lk.



Dr. A. J. Satharasinghe
Director General
Department of Census and Statistics
