



News Release

**National Accounts Estimates of Sri Lanka
Fourth Quarter & Annual - 2022
Production Approach
Base year - 2015**

Department of Census and Statistics

Ministry of Finance, Economics Stabilization and National Policies

The Department of Census and Statistics (DCS) Sri Lanka, has released the estimated Gross Domestic Product (GDP) at current price and at constant (2015) price in Production approach and the other macroeconomic indicators for the fourth quarter (October 1st to December 31st) of 2022 and for the year (January 1st to December 31st) of 2022.

The GDP for the year of 2022 at constant price (2015) has declined to Rs. 12,017,849 million from Rs. 13,037,934 million which recorded in the year of 2021.

The year on year GDP growth rate for the year 2022 has been reported as 7.8 percent of negative growth rate.

The overall Agriculture, Industry and Services activities declined by 4.6 percent, 16.0 percent and 2.0 percent respectively, in the year 2022.

The Gross Domestic Product for Sri Lanka for the fourth quarter of year 2022 at constant price (2015) has declined to Rs. 2,917,721 million from Rs. 3,331,073 million recorded in year 2021, registering a negative growth rate of 12.4 percent.

Inside

Executive summary - 2

Background - 3

Performance in Agricultural Activities – 3

Performance in Industrial Activities – 3

Performance in Services Activities - 4

Source Publication

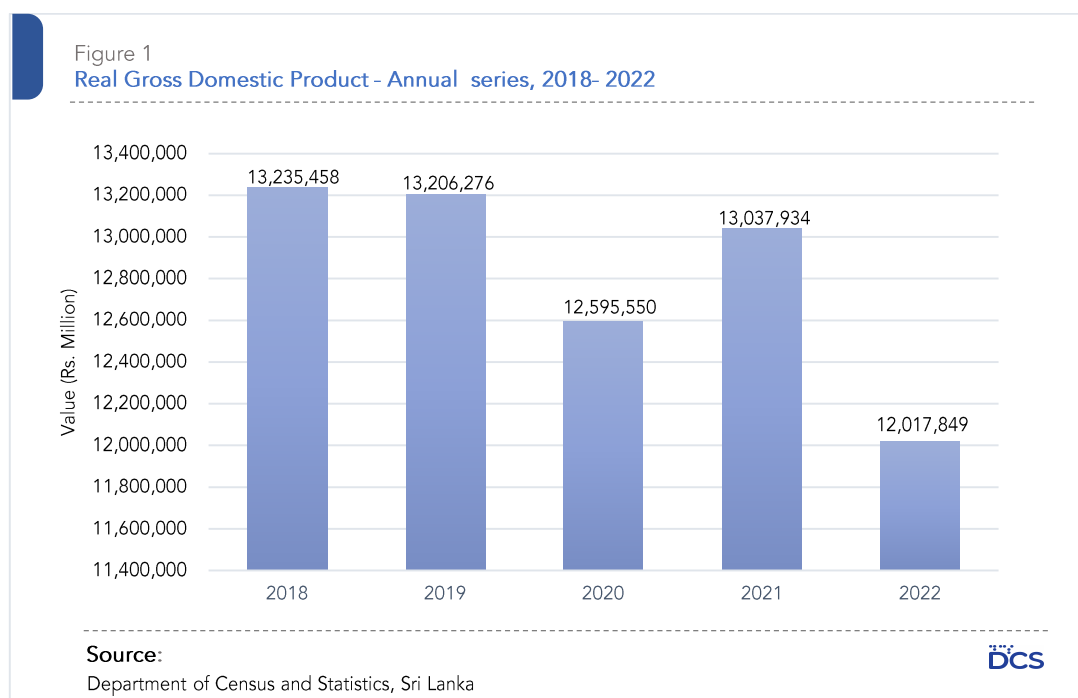
<http://www.statistics.gov.lk/NationalAccounts/StaticInformation/GDP2015>

Executive summary

Issuing a communiqué, on releasing National Accounts Estimates, the DCS states that the year on year GDP growth rate for the year of 2022 has been estimated as 7.8 percent of negative growth rate, against the value reported in the previous year 2021.

Further, the Gross Domestic Product for Sri Lanka for the year 2022 at constant price (2015) has declined to Rs. 12,017,849 million from Rs. 13,037,934 million which recorded in the previous year 2021.

The following Figure reflects the changes in the real GDP levels for the period of 2018 to the year of 2022.



In addition, the Gross Domestic Product for Sri Lanka for the year of 2022 at current price has increased up to Rs. 24,147,726 million from Rs. 17,600,191 million which recorded 37.2 percent of positive change in the current price GDP, in the year 2021.

The three major economic activities of the economy; ‘Agriculture’, ‘Industry’ and ‘Services’ have contributed their share to the GDP at current prices by 8.7 percent, 30.3 percent and 56.1 percent respectively, while ‘Taxes less subsidies on products’ component has contributed 4.9 percent of share to the GDP in the year of 2022.

During the year, all three major economic activities of Agriculture, Industrial and Services have recorded negative growth rates of 4.6 percent, 16.0 percent and 2.0 percent respectively.

Background

The gradual recovery in economic activities which was observed in the year of 2021 when compared to the year 2020, along with the reducing of the COVID-19 pandemic, reversed the direction of performance of many economic activities and resulted in contraction of the whole economy. This is mainly caused by the deepening of the economic crisis and youth and social unrest began in early part of the year 2022. In addition, frequent power disruptions, shortages in fuel, raw materials, foreign currency which affected in making supply chain disruptions,

amidst price escalations in both domestic and global markets, affected adversely to the whole production process of agriculture, industry and services.

The Agriculture sector recorded a contraction during 2022, owing to shortages in agricultural inputs, particularly fertilizer and agrochemicals, increased cost of inputs as well as fuel shortages. As well the industry sector as a whole reported significant contraction due to the subdued performance in manufacturing and construction activities. Scarcity of raw materials, high input prices, import restrictions, prolonged power disruptions, fuel shortage, foreign currency shortage, deterioration of purchasing power parity of consumers have been caused to this contraction. Meanwhile, the services sector witnessed a marginal shrinkage in the year of 2022 along with the contraction in the agriculture and industrial activities.

During the year 2022, the depreciation of the Sri Lankan Rupee at a notable rate, increase of interest rate to a high rate, supply side disruptions happened in both locally and globally, administrative price adjustments have been caused to record a high inflation domestically and as a whole the Sri Lankan economy reported a slower performance during the year 2022.

Performance in Agricultural Activities

In the year 2022, the agriculture activities have recorded 4.6 percent of decline in overall agriculture sector when compared to the 0.9 percent of positive growth recorded in the year 2021. The contraction in the agriculture activities were mainly driven by the ‘Growing of cereals’ (21.6 percent), ‘Growing of tea’ (15.9 percent), ‘Marine fishing and Marine aquaculture’ (15.4 percent), ‘Growing of rice’ (13.0 percent), ‘Animal Production’ (12.9 percent), ‘Growing of other beverage crops (9.1 percent), ‘Growing of vegetables’ (8.4 percent) and ‘Growing of rubber’ (6.7 percent). However, some agricultural activities such as ‘Forestry and logging’ (16.1 percent), ‘Agriculture supporting activities’ (14.7 percent), ‘Fresh water fishing and Fresh water aquaculture’ (11.9 percent), ‘Growing of oleaginous fruits’ (8.6 percent) and ‘Plant propagation’ (8.3 percent) have recorded considerable positive growth rates during this year.

Performance in Industrial Activities

During the year 2022, the overall industrial activities have reported a considerable negative growth rate of 16.0 percent compared to the 5.7 percent expansion reported in the year of 2021.

The overall manufacturing industry collapsed by 12.6 percent during the year 2022 when compared to the previous year. The ‘Manufacture of textiles, wearing apparel and leather related products’ is the only manufacturing activity which has reported an expansion of 8.1 percent in this year. The main manufacturing activity of ‘Manufacture of food, beverages and tobacco products’ have recorded a decline of 14.2 percent with the highest share (7.1 percent) to the total GDP in manufacturing sector. In addition, all the other manufacturing activities have reported contractions in year 2022. This was mainly driven by some manufacturing activities such as ‘Manufacture of rubber and plastic products’ (30.7 percent), ‘Manufacture of other non-metallic mineral products’ (29.0 percent), ‘Manufacture of furniture’ (26.4 percent), ‘Manufacture of basic metals and fabricated metal products’ (27.6 percent), ‘Other manufacturing and repair and installation’ (21.7 percent) ‘Manufacture of machinery and equipment’ (19.0 percent) and ‘Manufacture of chemical products and basic pharmaceutical products’ (14.0 percent).

However, the activity of ‘Manufacture of coke and refined petroleum products’ has reported 58.2 percent of negative growth rate in the year 2022.

Among the ‘Industrial activities’, the ‘Construction’ activity, which corresponds to 8.0 percent of share to the overall GDP, recorded negative growth rate of 20.9 percent during the year 2022. Further, the ‘Mining and quarrying’ activity too recorded a negative growth rate of 31.0 percent during this year. Meanwhile the ‘Electricity, gas, steam and air conditioning supply’ activity has reported negative growth rate of 5.9 percent while the ‘Water collection, treatment and supply’ activity has recorded 0.6 percent of positive growth rate in this year.

Performance in Services Activities

In the year 2022, the performance of the Service sector has shrunk by 2.0 percent when compared to the year of 2021.

During the year 2022, the ‘Financial service activities’ and ‘Insurance services’ have reported shortfalls by 11.0 percent and 47.2 percent respectively. In addition, ‘Real estate and ownership of dwelling activities’ (12.1 percent), ‘Programming and broadcasting activities’ (11.0 percent), ‘Human health services’ (8.4 percent), ‘Professional services’ (4.0 percent), ‘IT programming consultancy and related activities’ (2.3 percent) and ‘Wholesale and retail trade’ (0.2 percent) have reported negative growth rates when compared to the previous year.

However, among the services related activities ‘Accommodation, food and beverage serving activities’ (27.0 percent), ‘Postal and courier services’ (5.7 percent), ‘Transportation of goods and services’ (3.5 percent), ‘Education (3.8 percent), ‘Telecommunication’ (3.1 percent), ‘Public administration and defense’ (1.2 percent) and ‘Other personal services’ (0.4 percent) have reported positive growth rates during the year of 2022.

Performance in 4th quarter of 2022

Issuing a communiqué, on releasing National Accounts Estimates for the fourth quarter of 2022, the DCS states that the GDP growth rate for the fourth quarter of 2022 has been estimated as 12.4 percent of negative growth rate when compared to the 1.4 percent of positive growth recorded in the fourth quarter of 2021. The Gross Domestic Product for Sri Lanka for the fourth quarter of 2022 at constant price (2015) has decreased to Rs. 2,917,721 million from Rs. 3,331,073 million which recorded in the fourth quarter of 2021. In addition, the Gross Domestic Product for Sri Lanka for the fourth quarter of 2022 at current price has increased to Rs. 6,575,456 million from Rs. 4,724,501 million which recorded in the fourth quarter of 2021 registering 39.2 percent of change in the current price GDP. During the fourth quarter of 2022, the overall industrial activities have reported 30.1 percent of considerable level of contraction and as well the services activities a negative growth rate of 3.9 percent while the overall agriculture activities have reported a slight positive expansion by 0.7 percent.

According to the DCS, detail information of GDP estimates for the fourth quarter and year of 2022 has been published in the DCS website:

<http://www.statistics.gov.lk/NationalAccounts/StaticInformation/GDP2015>



P.M.P. Anura Kumara,
Director General

The Vision of DCS


“To be the leader in the region in producing timely statistical information to achieve the country’s development goals.”

The Mission of DCS

“Making contribution in the socioeconomic development of the country by providing accurate timely statistics, more Effectively by means of new technology, and utilising the services of dedicated staff under a strategic leadership to become a prosperous nation in the globalised environment.”

 **Department of Census & Statistics,**
Sankyana Mandiraya
No. 306/71, Polduwa
Road, Battaramulla


 info@statistics.gov.lk


 +94 11 2147000



 +94 11 2147011

 statistics.gov.lk

This publication is produced by the National Accounts Division

 **3rd floor, Department of Census and Statistics**

 National.accounts@statistics.gov.lk

 +94 112147071  +94 112877938