



News Release

National Accounts Estimates of Sri Lanka

First Quarter - 2023

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 first quarter (January 1st to March 31st) of 2023.

The GDP for the first quarter of 2023 at constant price (2015) has declined to Rs. 3,114,187 million from Rs. 3,519,400 million which recorded in the first quarter of 2022.

The year on year GDP growth rate for the first quarter of year 2023 has been reported as 11.5 percent of negative growth rate.

The Agriculture activities expanded by 0.8 percent while Industry and Services activities declined by 23.4 percent and 5.0 percent respectively in the first quarter of 2023.

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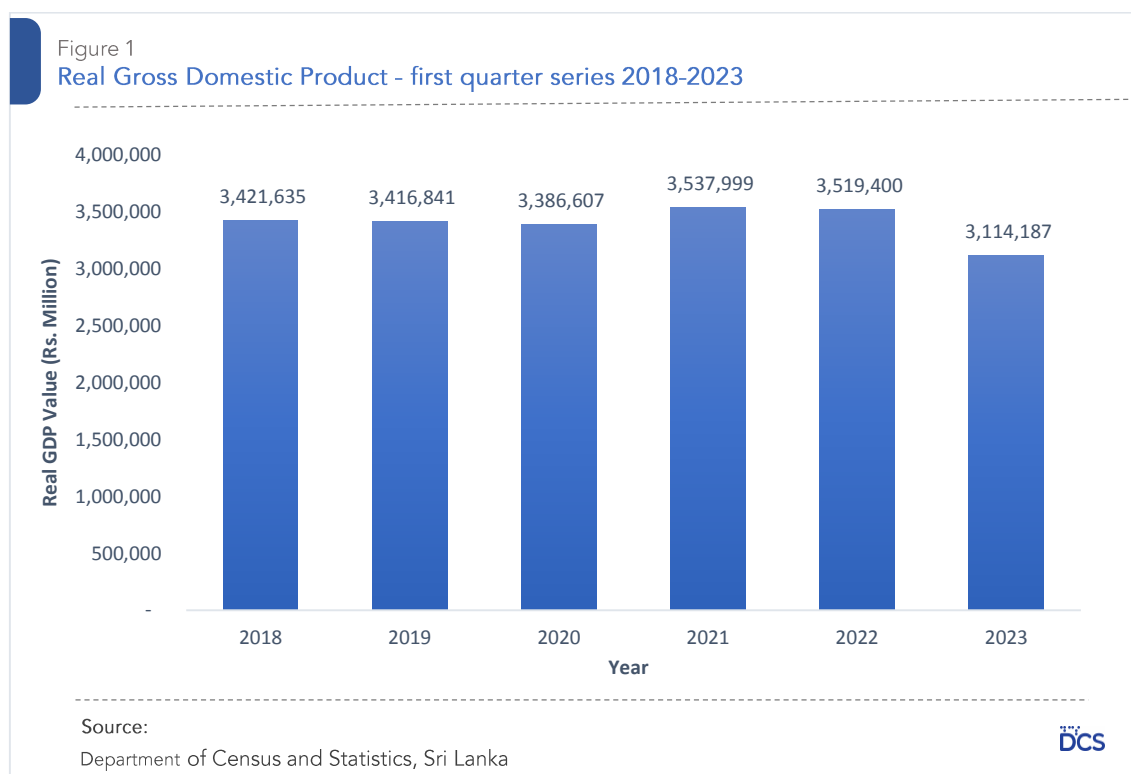
Source Publication

<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 first quarter of 2023 has been estimated as 11.5 percent of negative growth rate.

Accordingly, the Gross Domestic Product for Sri Lanka for the first quarter of the year 2023 at constant price (2015) has declined up to Rs. 3,114,187 million from Rs. 3,519,400 million which recorded in the first quarter of the year 2022. The following Figure 1 reflects the changes in the real GDP levels in the first quarter GDP series from the year 2018 to year 2023.



In addition, the Gross Domestic Product for Sri Lanka for the first quarter of 2023 at current price has increased up to Rs. 7,328,574 million from Rs. 5,543,306 million which recorded in the same quarter in year 2022 registering 32.2 percent of positive change in the current price GDP.

The three major economic activities of the economy; ‘Agriculture’, ‘Industry’ and ‘Services’ have contributed their share to the GDP at current prices by 8.0 percent, 28.7 percent and 58.2 percent respectively, while ‘Taxes less subsidies on products’ component has contributed 5.1 percent of share to the GDP in the first quarter of year 2023.

Meanwhile, Agriculture sector recorded an expansion of 0.8 percent while Industries and Services sectors recorded 23.4 percent and 5.0 percent negative growth rates respectively during this quarter.

Background

The year-on-year GDP growth rate of the first quarter of the year 2023, is calculated compared to the real GDP value reported in the same quarter (first quarter) of the previous year.

When compared to the first quarter in the year 2022, the unfavorable condition prevailed in the agricultural activities has been changed to a favorable situation by the first quarter of 2023 and has ensured some sort of relief in the agriculture sector. Further, the economic background of the country did not encourage the investments during this period due to the high interest rates. Hence, most of public and private construction works were halted due to the increase of input prices in the construction sector while restrictions imposed on imports by the government have made an adverse effect on the manufacturing industry sector and services sectors. And also, the high input prices have been caused to decline the production of manufacturing and some of agricultural activities. In addition, the decline of the exports of the apparel sector were experienced during this quarter.

Performance in Agricultural Activities

In the first quarter of year 2023, the agriculture activities have recorded an expansion of 0.8 percent when compared to the 4.4 percent of negative growth recorded in the same quarter in the year 2022.

The expansion in the agricultural activities were mainly driven by 'Growing of rice' (42.1 percent), 'Fresh water fishing and fresh water aquaculture' (16.9 percent), 'Growing of cereals' (13.0 percent), 'Agriculture supporting activities' (10.3 percent), 'Growing of spices' (8.8 percent) 'Plant propagation' (6.7 percent) 'Growing of fruits' (4.4 percent) and 'Growing of vegetables' (1.5 percent). However, some agricultural economic activities such as 'Forestry and logging' (25.5 percent), 'Animal Production' (11.9 percent), 'Marine fishing and marine aquaculture' (9.2 percent), 'Growing of tea (7.6 percent), 'Growing of oleaginous fruits' (4.8 percent), and 'Growing of rubber' (0.8 percent) have recorded negative growth rates in this quarter.

Performance in Industrial Activities

During the first quarter of year 2023, the overall industrial activities have reported a shrinkage of 23.4 percent compared to the 3.7 percent negative growth rate reported in the same quarter in the year 2022.

Among the 'Industrial activities', the 'Construction' and 'Mining and quarrying' activities have recorded negative growth rates of 38.3 percent and 45.7 percent respectively during this quarter. The overall manufacturing industry contracted by 14.2 percent during this quarter indicating a huge drawback in this sector. The manufacturing activities have reported contractions in this quarter with respect to the same quarter of the year 2022 including 'Manufacture of basic metal and fabricated metal products' (43.7 percent), 'Manufacture of machinery and equipment' (35.0 percent), 'Manufacture of furniture' (33.1 percent), 'Manufacture of wood and wood products' (31.8 percent), 'Other manufacturing and repair and installation of machinery and equipment' (30.5 percent), 'Manufacture of other non-metallic mineral products' (23.0 percent), 'Manufacture of chemical products' (22.0 percent), 'Manufacture of rubber and plastic products' (16.2 percent), 'Manufacture of food, beverages and tobacco products' (10.2 percent), 'Manufacture of textiles, wearing apparel, leather and other related products' (8.5 percent) and 'Manufacture of paper products' (1.4 percent) have reported considerable declines during this period. The 'Manufacture of coke and

refined petroleum products’ is the only activity with a positive growth rate in this quarter indicating an expansion of 92.9 percent.

The ‘Electricity, gas, steam and air conditioning supply’ and ‘Water collection, treatment and supply’ activities have recorded 15.0 percent and 5.6 percent of contractions in this quarter.

Performance in Services Activities

In the first quarter of the year 2023, the performance of the service sector has declined by 5.0 percent when compared to the 1.8 percent drawback of the same quarter of year 2022.

According to the quarterly review of this quarter, the ‘Insurance services’ and ‘Financial service activities’ have reported downturns of 38.3 percent and 33.2 percent respectively. Further, ‘Programming and broadcasting activities’ (28.7 percent), ‘Real estate activities and ownership of dwelling’ (18.3 percent), ‘Human health services’ (8.7 percent), ‘IT programming consultancy and related activities’ (7.2 percent), ‘Professional services’ (4.4 percent), ‘Telecommunication’ (4.0 percent) and ‘Wholesale and retail trade’ (1.1 percent) activities have reported negative growth rates.

Moreover, the activities of ‘Accommodation, food and beverage serving activities’ (5.2 percent), ‘Postal and courier services’ (4.3 percent), ‘Educational services’ (3.1 percent), ‘Transportation of goods and passengers including warehousing’ (2.8 percent) and ‘Other personal services’ (1.3 percent) have reported positive growth rates during the first quarter of 2023.


According to the DCS, detail information of GDP estimates for the first quarter of 2023 has been published in the DCS website: <http://www.statistics.gov.lk/NationalAccounts/StaticalInformation/GDP2015>




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The Vision of DCS





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

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The Mission of DCS

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