



**COORDINATORS OF SAARCSTAT
TECHNICAL SUB-GROUPS:
FIRST MEETING**

Dhaka, Bangladesh, 16 April 2008

SAARC/TSG01/12

**Development of a framework for inter regional comparison of SNA
among SAARC member states on 5-6 June in New Delhi**

Sri Lanka

The mid population in Sri Lanka was 19.5 mn in 2004. This consists of 73.9 % from Sinhalese, 12.7 % of Sri Lankan Tamils 5.5% in Estate Tamils and 7.1% Muslims and 0.8% of other races (1981). The Religion wise 69.3% are Buddhists, 15.5% Hindus, 7.6% Muslims, 7.6% Catholics 0.1% from other religions. The main characteristic of these, Tamils and Muslims population is that they are scattered all over the country specially in major cities. The average population density is 310 per hectare in 2004.

The land area is 65,000 sq. kilometers. The central part of the country is with mountains and the highest is above 3500 meters. The average temperature is 32c to 28c but in hilly areas the lowest is around 12c.

The average per capita GDP in 2005 was US \$ 1203 and it was US \$ 936 in 2004 and the GDP growth rate for the year 2005 was 6.2%.

Selected socio economic indicators - Sri Lanka.

GDP per capita - 2005 US \$	1203
GDP implicit deflator 2005	10%
Inflation rate based on	
GDP share of investment 2005	26.8%
Gross Saving rate to	23.1%
GDP - 2005	
Public-Private	95%
Debt ratio to GDP - 2005	
Interest rate	14%
Sri Lankan rupees per	
US \$-2005	100.8
(Exchange rate)	
Unemployment ratio - 2005	8.3%
Average poverty ratio	26%
(Head count-poverty below poverty line)	

Crude birth rate	19 (Per thousand populations)
Crude death rate	5.1 (Per thousand populations)
Population growth rate	1.2%
Literacy rate	91 %
School Enrollment rate	97 %

In the regional comparison of GDP SNA among SAARC member states is really timely important activity. For the purpose of GDP comparison among the countries, it is very important to select a methodology which is acceptable and practicable to implement in all the SAARC member states. This implementation aspect is very important when we consider the SNA68/SNA93 implementation stages, the member states may be at different levels in implementation of SNA93. Because of this reason, it is necessary to make limitations regarding these SNA-GDP comparisons.

At present, GDP, PPP comparisons are being compiled by the International Comparison Programme (ICP). It means that selecting common gross Domestic Expenditure Weights for the relevant countries to be priced the items selected as expenditure weights. These items are selected as common and agreeable items with specifications for all the countries. This is really another different approach for GDP and PPP comparison among the countries.

This forum is really interested in developing a framework for inter-regional comparison of SNA68/93. There is no doubt that the comparison is really possible that all the regional countries have completely followed the given guide lines in SNA93 and implemented fully. This is not the same situation for all the countries. Therefore, it is necessary to develop a suitable and practicable framework for all the countries in the region. Mainly for this purpose, the SNA framework should be included to consider following selected headings.

- What should be the guide lines to be considered - SNA68 or SNA93
- Data coverage according to SNA68 or SNA.93
- Economic activity classifications - ISIC Revision2 or Revision3 and other classifications COICOP, COFOG etc.
- Definitions and concepts given in SNA 68 or SNA 93.
- What should be the common currency for comparison of Gross Domestic product (GDP).
- What should be the valuation procedure and is it valuation (GDP) at producer prices or at basic prices.
- What should be the appropriate selected common data (GDP) presentation formats for the comparison. It is not possible to consider all set of sequence of National accounts table for comparison. It is

necessary to limit these for feasible few appropriate tables, i.e. tables for GDP, GDE, private consumption, capital formation etc. Under the sub headings of tables it is required to indicate necessary breakdowns under the specific classifications.

- What should be the time frame for this specific task of inter-regional comparison of SNA among SAARC member states.
- Whether it is necessary to consider the funding agency or procedure to continue this task.

The important highlights have been indicated for purpose of discussions for the consideration of inter-regional SNA comparison among the SAARC regional countries.
