



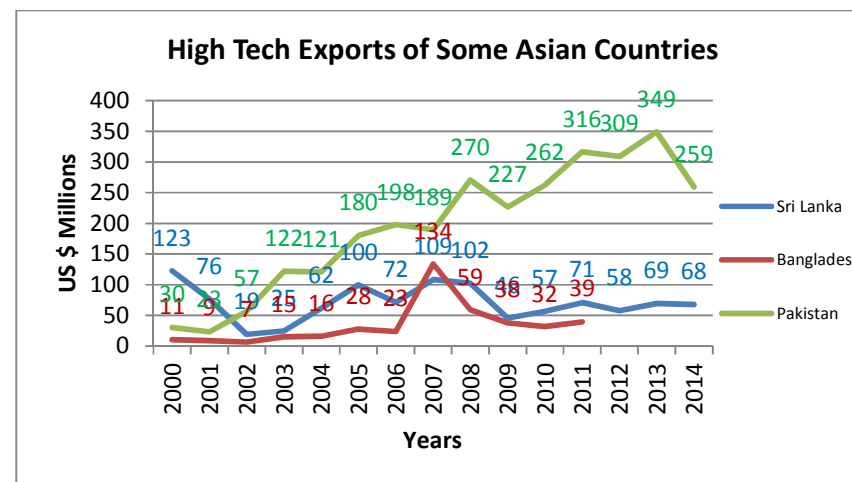
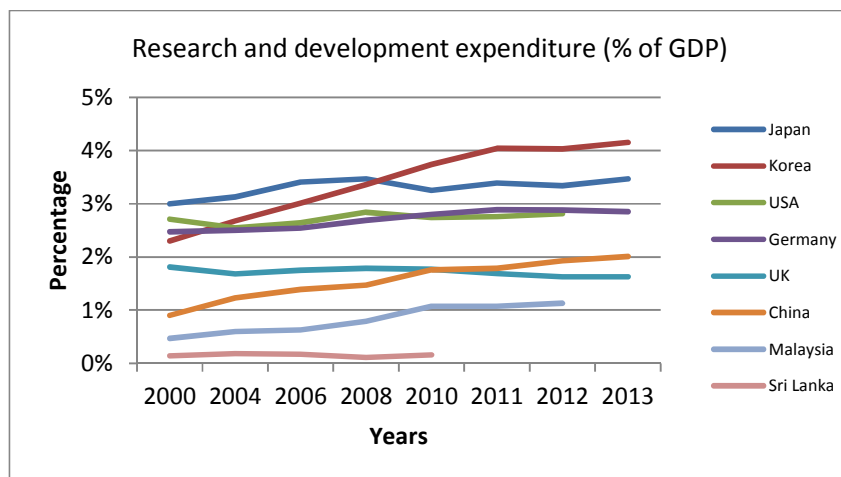
## 21. EXPORTS OF HIGH-TECHNOLOGY PRODUCTS TO ACHIEVE ECONOMIC GROWTH OF SRI LANKA

One of the key policy objectives of the Government Vision for the future is to transform Sri Lanka's industrial sector into High – Value added, knowledge-based, globally competitive and diversified sector by 2020, which will then lead to the economic expansion of the country. A special emphasis has been given to product diversification through an outward looking growth strategy.

The government has clearly identified the need of a sustainable industrial policy focusing more on an upward movement of the manufacturing sector improving the value chain from light industrial products towards the manufacture of hi-tech products.

An analysis of the export sector of Sri Lanka reveals that its structure is still concentrated, both in terms of product composition and export destinations. Therefore, diversification of our products/markets is of utmost importance to overcome the risks associated with the high dependency on a few products and markets. High-Tech products provide considerable thrust in achieving product/market diversification simultaneously.

The following charts and tables illustrate some of the key aspects relating to High-Tech production and exports of Sri Lanka.



**HIGH – TECH EXPORTS AS A SHARE OF MANUFACTURED EXPORTS**

Country	2009	2010	2011	2012	2013	2014
Singapore	48 %	50 %	45 %	45%	47%	47%
Malaysia	47 %	45 %	43 %	44%	44%	44%
China	28 %	28 %	26 %	26%	27%	25%
Korea, Rep.	29 %	29 %	26 %	26%	27%	27%
France	23 %	25 %	24 %	25%	26%	26%
Switzerland	26 %	25 %	24 %	26%	27%	26%
Thailand	25 %	24 %	21 %	21%	20%	20%
UK	22 %	21 %	21 %	22%	16%	21%
Norway	16 %	16 %	18 %	19%	19%	21%
United States	21 %	20 %	18 %	18%	18%	18%
Japan	19 %	18 %	17 %	17%	17%	17%
Czech Republic	15 %	15 %	16 %	16%	15%	15%
Germany	15 %	15 %	15 %	16%	16%	16%
Australia	12 %	12 %	12 %	13%	13%	14%
Indonesia	13 %	10 %	8 %	7%	7%	7%
India	9 %	7 %	7 %	7%	8%	9%
Vietnam	6 %	9 %	14%	20%	28%	27%
Sri Lanka	1 %	1 %	1 %	1%	1%	1%

Source: World Bank

**SRI LANKA'S EXPORTS OF RAW MATERIALS USED IN HIGH-TECH**

**INDUSTRIES TO THE WORLD (US \$ '000)**

Product	Exports thousands) (US						
	2009	2010	2011	2012	2013	2014	2015
Silica & Quarts	3,927	4,991	5,727	8,625	9,630	10,443	8,670
Graphite	1,164	1,300	1,370	4,309	4,320	4,665	3,899
Mica & Mica Waste	925	819	1,273	1,257	946	1,341	723
Other Natural Sands	3,433	7,127	9,015	941	2,032	1,538	1,747
Mineral Sands	6,848	9,990	15,478	27,575	7,142	10,298	13,374
Titanium ores and concentrated - Ilmanite	3,609	3,042	8,363	15,595	3,386	3,677	3,058
Titanium ores and concentrates - Rutile	1,410	1,681	2,675	4,091	1,142	2,525	889

Source: Sri Lanka Export Development Board Statistics