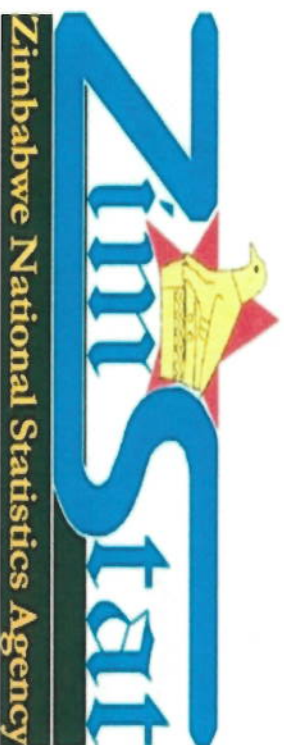




Zimbabwe

National Accounts 2009 - 2014 Report

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Preface

This Report contains National Accounts series going back to 2009, with provisional estimates for 2014. The historical series back to 2009 were extensively revised in 2011 and 2012 following the Labour Input method adopted by ZIMSTAT for the respective years. The revisions were necessitated by the Poverty, Income, Consumption and Expenditure Survey (PICES) and the Census of Industrial Production (CIP) 2011. In current prices, the new Gross Domestic Product (GDP) series for the years 2009 to 2014 show an upward revision on the series showing a growth of 8.9 percent in 2013 and 9.1 percent in 2014. Furthermore, the constant price estimates have been rebased to 2009 prices. Details of the reasons for the changes are given in the introductory chapter.

The National Accounts are compiled in accordance with the 1993 System of National Accounts (SNA) and some aspects of 2008 SNA have been adopted.

There are appropriate explanations added to the appendix on concepts and definitions and other clarifications as to how the latest GDP estimates were calculated.

Over the next few years, ZIMSTAT will continue working towards full implementation of the 2008 SNA and its sequence of accounts and tables.

I would like to thank the Government of Zimbabwe (GoZ), private sector institutions, as well as not-for profit institutions for providing data which forms the basis for the compilation of GDP and other economic aggregates which form an integral part of this Report.

ZIMSTAT sincerely welcomes views and comments that would assist in the improvement of the country's National Accounts System and other statistics.



M. Dzinoitzei

Director-General, ZIMSTAT

Harare, August 2015

Table of Contents

	Page
Chapter 1: Introduction	1
Chapter 2: Gross Domestic Product by Industry	2
Chapter 3: Expenditure on Gross Domestic Product.....	16
Chapter 4: Gross Capital Formation.....	20
Chapter 5: General Government	25
Chapter 6: External Transactions	30
Chapter 7: Special Tables.....	33
Appendix I: Sources and Methods.....	67
Appendix II: Concepts, terms and definitions.....	69

Notations

-
- Category not applicable
 - Magnitude zero
 - 0 (Percent) Insignificant value
 - NEC Not elsewhere classified

Chapter 1: Introduction

This Report on National Accounts is the first to come after the major revisions published in 2009, the adoption of multi-currency system and undertaking of major surveys such as PICES 2011/2012 and the Census of Industrial Production (CIP) 2011, among others. The revisions were due to the following:

- The base year was changed in 2009 from 1990 to 2009 constant prices.
- The ZIMSTAT reviewed its data sources and methods in 2009. This review resulted in changing the sources of data in some cases. Details of the sources and methods are contained in Appendix 1 of this report.
- The adoption of the 1993 SNA and some aspects of 2008 SNA resulted in the adjustment of some concepts and definitions.
- Incorporation of the informal sector production activities into National Accounts statistics.

The 1993 and 2008 System of National Accounts (SNA)

The United Nations, in co-operation with several other international organisations, published the 1993 SNA and recently the 2008 SNA. This was a result of several years of work of reviewing, revising and enhancing the previous 1968 SNA. The changes consist mainly of clarifications, harmonization with related international systems, adjustment of concepts and definitions and enlargement of the scope of the system.

Review of the sources and methods.

Generally, ZIMSTAT has used similar sources and methods as in the past in the compilation of National Accounts presented in this publication. The Agency has also analysed and used detailed data from some other sources. The following changes should be noted:

- The Poverty, Income, Consumption and Expenditure Survey PICES 2011/12 was analysed and used to provide estimates for the non - agricultural informal sector. In addition, the labour input method was used and figures were back casted from 2012 to 2009 and plans are underway to further back cast to 1985. In the past, the informal sector activity was partially covered in the production of communal and resettlement areas included in the National Accounts.
- The estimates of crop production have been based on the Agriculture and Livestock Survey (ALS) in addition to administrative data obtained from marketing authorities and the Ministry of Agriculture, Mechanisation and Irrigation.
- The revaluation of changes in stocks was refined so as to enhance the removal of holding gains. For all the stocks where quantities and prices are available, the change in the quantity has been revalued at the average year price.
- The Gross National Income Table has been changed in format and the treatment of income from rental of dwellings this has been changed to a new format. This is in compliance with the latest SNA 2008 requirements.

Chapter 2: Gross Domestic Product by Industry

Current Price Estimates

The estimated average Gross Domestic Product (GDP) at market prices for the years 2009 to 2014 is US\$ 11 436 million. This represents an average annual increase of 9.8 percent in nominal terms. Table 2.1(b) shows the percentage contributions to total GDP of the industrial sectors. Agriculture, Hunting, Fishing and Forestry had a combined contribution to GDP of 12 percent. Finance and Insurance Industry contributed a minimum of 6.4 percent in 2011 and a maximum of 8 percent in 2013 and fell to 8.1 percent in 2014. Distribution, Hotels and Restaurants had the highest contribution with an average of 13.6 percent followed by Manufacturing and; Transport and Communication both with an average of 11.5 percent. The least contribution was from the Domestic Services Industry which had a maximum of 0.4 percent for the first three years and 0.3 percent for the last three years.

Constant (2009) Prices Estimates

Table 2.2(a) shows GDP by industry of origin at constant (2009) prices. In real terms, GDP at market prices increased from US\$ 8 157 million in 2009 to US\$ 12 197 million in 2014, reflecting a 49.5 percent increase. However, excluding taxes on production and taxes on products, the economy expanded from 11.4 per cent in real terms in 2010 to 11.9 per cent in 2011 and then fell to about 4 percent in 2014. The increase in 2014 can be explained by performance in the Agriculture, Hunting, Fishing and Forestry with 23 percent, Finance and Insurance with 7.7 percent, Construction with 6.9 percent and Public Administration with 6.3 percent.

Manufacturing performance was shown by an increase in value added from US\$ 1 066 million in 2009 to US\$ 1 230 million in 2014. The manufacturing sector registered a 13.8 percent increase in 2011 and further declined to a negative 5.1 percent in 2014.

The Mining and quarrying output, increased in growth rates of 37.4 percent in 2010 and later declined to negative 3.4 percent 2014. This is probably due to the decline in international prices and also a decline in the production of other minerals.

The large sectors (Agriculture, Manufacturing, and Distribution) had a combined contribution to GDP of 34.5 percent in 2014 and 33.8 percent in 2013 and therefore their sluggish performance had a profound effect on the general outcome of the performance of the economy. Finance and Insurance and Electricity and Water performed well in the period under review. On average, the sectors grew by an average of 12.7 percent and 7.3 percent from 2009 to 2014 respectively.

Other sectors that registered increases in output are Real Estate, Transport and Communication, Health, Public Administration, and Domestic Services.

Since the implementation of the multi-currency system in 2009, the economy faced a steady growth rate which rose to 11.4 percent in 2010. Most firms were motivated by the United States Currency (US\$) and output increased. However the growth rate then started falling down to 3.8 percent in 2014.

Table 2.1(a) Gross Domestic Product by Industry at Current Prices US\$ million

Industry/ Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	1038	1157	1222	1377	1364	1705
Mining and Quarrying	561	802	1006	1064	1187	1157
Manufacturing	1066	1109	1293	1420	1457	1450
Electricity and water	279	359	436	448	492	546
Construction	137	182	289	376	399	426
Finance and Insurance	572	619	704	943	1073	1154
Real Estate	110	126	193	303	341	385
Distribution, Hotels, and Restaurants	1207	1376	1397	1601	1909	1927
Transport and communication	1080	1137	1320	1334	1374	1478
Public administration	186	292	321	383	402	436
Education	210	304	518	710	879	1021
Health	87	102	109	119	123	125
Domestic Services	35	38	41	40	43	45
Other Services	343	390	453	416	400	404
Less Fin.Int Services Indirectly Measured	-22	-36	-50	-67	-77	-86
GDP at factor cost	6889	7958	9254	10467	11365	12172
Net taxes on production	113	130	151	171	185	184
Other taxes on production	113	130	151	171	185	184
Other subsidies on production	0.0	0.0	0.0	0.0	0.0	0.0
GDP at basic prices	7002	8088	9405	10638	11550	12356
Net taxes on products	1155	1334	1551	1755	1940	1841
Taxes on products	1155	1349	1551	1755	1940	1841
Subsidies on products	0.0	0.0	0.0	0.0	0.0	0.0
GDP at Market Prices	8157	9422	10956	12393	13490	14197
Population in Millions	12	12	12	13	13	14
GDP percapita in US\$	667	764	879	949	1005	1030



Table 2.1(b) Gross Domestic Product by Industry at Current Prices - Percentage Distribution

Industry/Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	12.7	12.3	11.2	11.1	10.1	12.0
Mining and Quarrying	6.9	8.5	9.2	8.6	8.8	8.1
Manufacturing	13.1	11.8	11.8	11.5	10.8	10.2
Electricity and water	3.4	3.8	4.0	3.6	3.6	3.8
Construction	1.7	1.9	2.6	3.0	3.0	3.0
Finance and Insurance	7.0	6.6	6.4	7.6	8.0	8.1
Real Estate	1.4	1.3	1.8	2.4	2.5	2.7
Distribution, Hotels, and Restaurants	14.8	14.6	12.8	12.9	14.2	13.6
Transport and communication	13.2	12.1	12.1	10.8	10.2	10.4
Public administration	2.3	3.1	2.9	3.1	3.0	3.1
Education	2.6	3.2	4.7	5.7	6.5	7.2
Health	1.1	1.1	1.0	1.0	0.9	0.9
Domestic Services	0.4	0.4	0.4	0.3	0.3	0.3
Other Services	4.2	4.1	4.1	3.4	3.0	2.8
Less Fin. Int Services Indirectly Measured	-0.3	-0.4	-0.5	-0.5	-0.6	-0.6
GDP at factor cost	84.5	84.5	84.5	84.5	84.2	85.7
Net taxes on production	1.4	1.4	1.4	1.4	1.4	1.3
Other taxes on production	1.4	1.4	1.4	1.4	1.4	1.3
Other subsidies on production	0.0	0.0	0.0	0.0	0.0	0.0
GDP at basic prices	85.8	85.8	85.8	85.8	85.6	87.0
Net taxes on products	14.2	14.2	14.2	14.2	14.4	13.0
Taxes on products	14.2	14.3	14.2	14.2	14.4	13.0
Subsidies on products	0.0	0.0	0.0	0.0	0.0	0.0
GDP at Market Prices	100.0	100.0	100.0	100.0	100.0	100.0

Table 2.1(c) Gross Domestic Product by Industry at Current Prices : Nominal Growth Rates - Percentage

Industry/Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	0.0	11.4	5.6	12.7	-0.9	25.0
Mining and Quarrying	0.0	43.1	25.4	5.7	11.6	-2.5
Manufacturing	0.0	4.0	16.7	9.8	2.6	-0.5
Electricity and water	0.0	28.8	21.6	2.7	9.8	11.1
Construction	0.0	33.3	58.4	30.4	6.0	6.9
Finance and Insurance	0.0	8.3	13.7	34.0	13.8	7.6
Real Estate	0.0	14.3	53.0	56.7	12.4	13.0
Distribution, Hotels, and Restaurants	0.0	14.0	1.6	14.6	19.2	0.9
Transport and communication	0.0	5.3	16.1	1.0	3.0	7.5
Public administration	0.0	56.4	10.2	19.1	5.1	8.5
Education	0.0	45.1	70.4	37.0	23.8	16.1
Health	0.0	16.3	7.3	9.4	3.2	1.8
Domestic Services	0.0	9.2	5.5	-0.8	6.8	4.0
Other Services	0.0	13.8	16.2	-8.2	-4.0	0.9
Less Fin.Int Services Indirectly Measured	0.0	61.0	41.0	34.0	13.8	12.2
GDP at factor cost	0.0	15.5	16.3	13.1	8.6	7.1
Net taxes on production	0.0	15.5	16.3	13.1	8.1	-0.6
Other taxes on production	0.0	15.5	16.3	13.1	8.1	-0.6
Other subsidies on production	0.0	0.0	0.0	0.0	0.0	0.0
GDP at basic prices	0.0	15.5	16.3	13.1	8.6	7.0
Net taxes on products	0.0	15.5	16.3	13.1	10.6	-5.1
Taxes on products	0.0	16.8	15.0	13.1	10.6	-5.1
Subsidies on products	0.0	0.0	0.0	0.0	0.0	0.0
GDP at Market Prices	0.0	15.5	16.3	13.1	8.9	5.2

Table 2.2 (a) Gross Domestic Product by Industry at Constant (2009) Prices US\$ million

Industry/Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	1038	1113	1129	1217	1186	1459
Mining and Quarrying	561	770	958	1034	1156	1116
Manufacturing	1066	1087	1238	1304	1296	1230
Electricity and water	279	333	354	355	373	393
Construction	137	156	258	318	331	353
Finance and Insurance	572	619	670	857	954	1028
Real Estate	110	116	172	274	276	289
Distribution, Hotels, and Restaurants	1207	1314	1370	1429	1485	1522
Transport and communication	1080	1132	1132	1207	1292	1306
Public administration	186	243	291	346	358	380
Education	210	287	471	650	669	695
Health	87	101	109	117	118	120
Domestic Services	35	39	39	38	40	41
Other Services	343	393	437	391	372	360
Less Fin.Int Services Indirectly Measured	-22	-29	-41	-45	-50	-52
GDP at factor cost	6889	7673	8587	9494	9854	10240
Net taxes on production	113	126	141	155	165	178
Other taxes on production	113	126	141	155	165	178
Other subsidies on production	0	0	0	0	0	0
GDP at basic prices	7002	7799	8727	9649	10019	10418
Net taxes on products	1155	1286	1439	1592	1726	1779
Taxes on products	1155	1286	1439	1592	1726	1779
Subsidies on products	0	0	0	0	0	0
GDP at Market Prices	8157	9085	10167	11241	11745	12197
Population (in Millions)	12	12	12	13	13	14
GDP Percapita	667	736	816	861	875	885

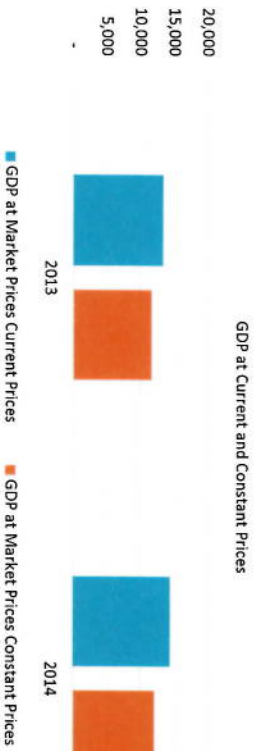


Table 2.2 (b) Gross Domestic Product by Industry at Constant Prices - Percentage contributions

Industry/Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	12.7	12.3	11.1	10.8	10.1	12.0
Mining and Quarrying	6.9	8.5	9.4	9.2	9.8	9.2
Manufacturing	13.1	12.0	12.2	11.6	11.0	10.1
Electricity and water	3.4	3.7	3.5	3.2	3.2	3.2
Construction	1.7	1.7	2.5	2.8	2.8	2.9
Finance and Insurance	7.0	6.8	6.6	7.6	8.1	8.4
Real Estate	1.4	1.3	1.7	2.4	2.4	2.4
Distribution, Hotels, and Restaurants	14.8	14.5	13.5	12.7	12.6	12.5
Transport and communication	13.2	12.5	11.1	10.7	11.0	10.7
Public administration	2.3	2.7	2.9	3.1	3.0	3.1
Education	2.6	3.2	4.6	5.8	5.7	5.7
Health	1.1	1.1	1.1	1.0	1.0	1.0
Domestic Services	0.4	0.4	0.4	0.3	0.3	0.3
Other Services	4.2	4.3	4.3	3.5	3.2	2.9
Less Fin. int Services Indirectly Measured	-0.3	-0.3	-0.4	-0.4	-0.4	-0.4
GDP at factor cost	84.5	84.5	84.5	84.5	83.9	84.0
Net taxes on production	1.4	1.4	1.4	1.4	1.4	1.5
Other taxes on production	1.4	1.4	1.4	1.4	1.4	1.5
Other subsidies on production	0.0	0.0	0.0	0.0	0.0	0.0
GDP at basic prices	85.8	85.8	85.8	85.8	85.3	85.4
Net taxes on products	14.2	14.2	14.2	14.2	14.7	14.6
Taxes on products	14.2	14.2	14.2	14.2	14.7	14.6
Subsidies on products	0.0	0.0	0.0	0.0	0.0	0.0
GDP at Market Prices	100.0	100.0	100.0	100.0	100.0	100.0

Table 2.2(c) Gross Domestic Product by Industry at Constant Prices 2009 -Percentage Growth Rates

Industry/Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	0.0	7.2	1.4	7.8	-2.6	23.0
Mining and Quarrying	0.0	37.4	24.4	8.0	11.7	-3.4
Manufacturing	0.0	2.0	13.8	5.3	-0.6	-5.1
Electricity and water	0.0	19.5	6.4	0.3	5.0	5.4
Construction	0.0	14.1	65.1	23.5	3.9	6.9
Finance and Insurance	0.0	8.3	8.3	28.0	11.3	7.7
Real Estate	0.0	4.9	48.9	59.0	0.7	4.7
Distribution, Hotels, and Restaurants	0.0	8.8	4.3	4.3	3.9	2.5
Transport and communication	0.0	4.7	0.0	6.7	7.0	1.1
Public administration	0.0	30.3	19.6	19.1	3.4	6.3
Education	0.0	37.0	65.9	38.1	2.9	3.9
Health	0.0	15.7	7.7	7.7	0.5	1.8
Domestic Services	0.0	10.0	1.0	-3.5	6.0	2.2
Other Services	0.0	14.7	11.3	-10.7	-4.7	-3.3
Less Fin.Int Services Indirectly Measured	0.0	32.9	38.7	9.8	11.3	4.7
GDP at factor cost	0.0	11.4	11.9	10.6	3.8	3.9
Net taxes on production	0.0	11.4	11.9	10.6	6.0	8.0
Other taxes on production	0.0	11.4	11.9	10.6	6.0	8.0
Other subsidies on production	0.0	0.0	0.0	0.0	0.0	0.0
GDP at basic prices	0.0	11.4	11.9	10.6	3.8	4.0
Net taxes on products	0.0	11.4	11.9	10.6	8.4	3.1
Taxes on products	0.0	11.4	11.9	10.6	8.4	3.1
Subsidies on products	0.0	0.0	0.0	0.0	0.0	0.0
GDP at Market Prices	0.0	11.4	11.9	10.6	4.5	3.8

Table 2.2(d) Gross Domestic Product by Industry : Implied deflator

Industry/Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	100.0	103.9	108.2	113.1	115.0	116.9
Mining and Quarrying	100.0	104.2	105.0	102.8	102.7	103.6
Manufacturing	100.0	102.0	104.5	108.9	112.4	117.9
Electricity and water	100.0	107.8	123.2	126.2	131.9	139.0
Construction	100.0	116.8	112.0	118.3	120.6	120.6
Finance and Insurance	100.0	100.0	105.0	109.9	112.4	112.3
Real Estate	100.0	109.0	112.0	110.4	123.3	133.1
Distribution, Hotels, and Restaurants	100.0	104.7	102.0	112.1	112.1	128.6
Transport and communication	100.0	100.5	116.7	110.5	106.4	113.1
Public administration	100.0	120.0	110.6	110.6	112.4	114.7
Education	100.0	105.9	110.1	109.3	131.5	146.9
Health	100.0	100.5	100.2	101.8	104.6	104.6
Domestic Services	100.0	99.2	103.7	106.6	107.4	109.4
Other Services	100.0	99.2	103.7	106.6	107.4	112.2
Less Fin.Int Services Indirectly Measured	100.0	121.1	123.1	150.2	153.6	164.6
GDP at factor cost	100.0	103.7	107.8	110.2	115.3	118.9
Net taxes on production	100.0	103.7	107.8	110.2	112.4	103.5
Other taxes on production	100.0	103.7	107.8	110.2	112.4	103.5
Other subsidies on production	0.0	0.0	0.0	0.0	0.0	0.0
GDP at basic prices	100.0	103.7	107.8	110.2	115.3	118.9
Net taxes on products	100.0	103.7	107.8	110.2	112.4	103.5
Taxes on products	100.0	104.9	107.8	110.2	112.4	103.5
Subsidies on products	0.0	0.0	0.0	0.0	0.0	0.0
GDP at Market Prices	100.0	103.7	107.8	110.2	114.9	116.4
Consumer Price Index all items	89.5	92.2	95.4	99.0	100.6	100.4
Consumer Price Index food items	87.0	90.4	94.0	98.4	100.0	96.9

Fig 2.8 GDP Implied Deflator and the CPI

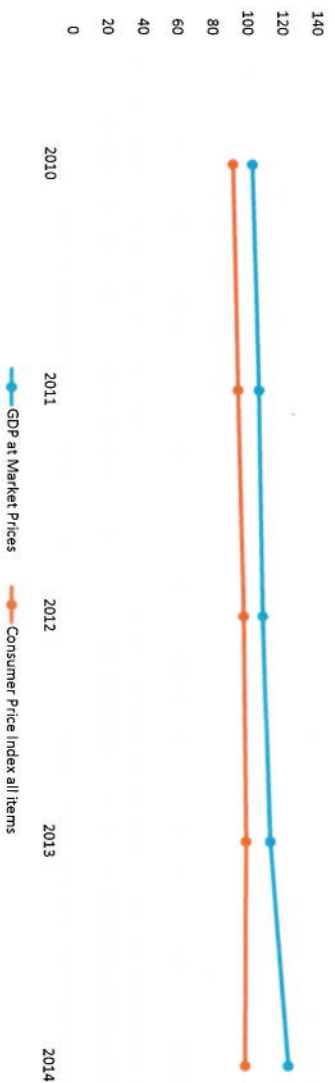


Table 2.3(a) Composition of GDP at Factor Cost at Current Prices US\$ million

	2009	2010	2011	2012	2013	2014
Primary industries	1599	1884	2087	2252	2342	2575
Secondary Industries	1481	1576	1850	1977	2000	1976
Tertiary	3831	4243	4691	5310	5563	5741
FISIM	-22	-29	-41	-45	-50	-52
GDP at Factor cost	6889	7673	8587	9494	9854	10240

Table 2.3 (b) Composition of GDP at Factor Cost at Current Prices - Percentage Distribution

	2009	2010	2011	2012	2013	2014
Primary industries	23.2	24.6	24.1	23.3	22.4	23.5
Secondary Industries	21.5	20.7	21.8	21.4	20.7	19.9
Tertiary	55.6	55.1	54.7	55.9	57.6	57.3
FISIM	-0.3	-0.4	-0.5	-0.6	-0.7	-0.7
GDP at Factor cost	100.0	100.0	100.0	100.0	100.0	100.0

Fig 2.9 Composition of GDP at Current Prices (%)

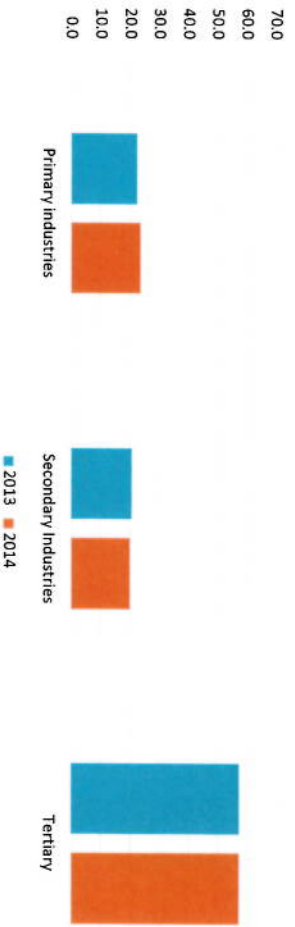


Table 2.3 (c) Composition of GDP at Factor Cost at Current Prices- Annual Percentage Change

	2009	2010	2011	2012	2013	2014
Primary industries	0.0	22.5	13.7	9.5	4.5	12.2
Secondary Industries	0.0	11.4	22.3	11.2	4.6	3.2
Tertiary	0.0	14.4	15.4	15.7	11.9	6.6
FISIM	0.0	61.0	41.0	34.0	13.8	12.2
GDP at Factor cost	0.0	15.5	16.3	13.1	8.6	7.1

Fig 2.10 Annual Growth Rate at Current Prices

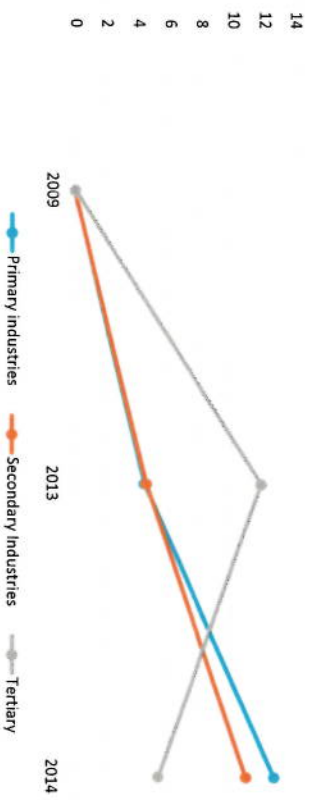


Table 2.4(a) Composition of GDP at Factor cost at Constant(2009) Prices US\$ million

	2009	2010	2011	2012	2013	2014
Primary industries	1599	1884	2087	2252	2342	2575
Secondary Industries	1481	1576	1850	1977	2000	1976
Tertiary	3831	4243	4691	5310	5563	5741
FISIM	-22	-29	-41	-45	-50	-52
GDP at Factor cost	6889	7673	8587	9494	9854	10240

2.4 (b) Composition of GDP at Factor Cost at Constant (2009) Prices - Percentage Distribution

	2009	2010	2011	2012	2013	2014
Primary industries	23.2	24.5	24.3	23.7	23.8	25.1
Secondary Industries	21.5	20.5	21.5	20.8	20.3	19.3
Tertiary	55.5	55.3	54.6	55.9	56.5	56.1
FISIM	-0.3	-0.4	-0.5	-0.5	-0.5	-0.5
GDP at Factor cost	100	100	100	100	100	100

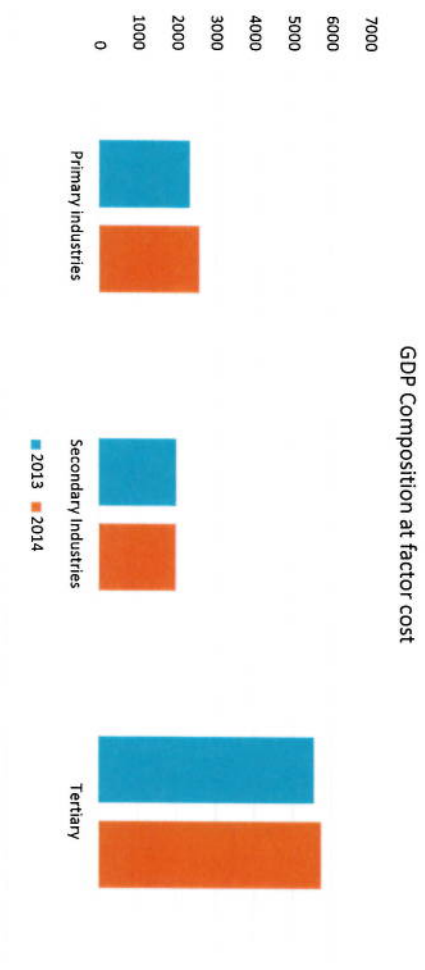
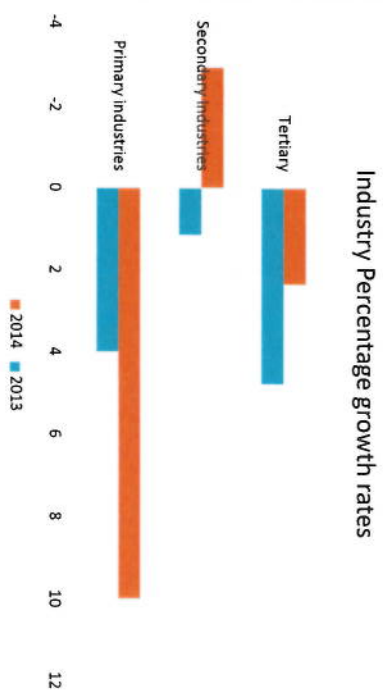


Table 2.4 (c) Composition of GDP at Factor Cost at Constant (2009) Prices : Annual Percentage Change

	2009	2010	2011	2012	2013	2014
Primary industries	0	17.8	10.8	7.9	4.0	10.0
Secondary Industries	0	6.4	17.4	6.9	1.1	-2.9
Tertiary	0	11.1	10.6	13.2	4.8	2.3
FISIM	0	32.9	38.7	9.8	11.3	4.7
GDP at Factor cost	0	11.1	10.6	13.2	4.8	2.3



2.5(a) Gross Domestic Product by Income Approach US\$ million						
Item / year	2009	2010	2011	2012	2013	2014
Compensation of employees	3338	4177	5227	6388	7091	7044
Gross Operating Surplus	3161	3292	3414	3330	3443	4303
Mixed Income	391	490	613	749	831	826
Taxes on production	113	130	151	171	185	184
GDP at basic Prices	7002	8088	9405	10638	11550	12356
Net taxes on products	1154.9	1334.0	1551.3	1734.6	1939.8	1840.7
Taxes on products	1155	1349	1551	1755	1940	1841
Subsidies on products	0	0	0	0	0	0
GDP at market prices	8157	9422	10956	12393	13490	14197
Net primary income from abroad	-255	-547	-901	-963	-1034	-1116
Primary income received from abroad	184	151	261	385	272	293
Primary income paid abroad	439	698	1162	1349	1306	1410
Gross National Income	7902	8876	10055	11429	12456	13081

Table 2.5 (b) Gross Domestic Income at Current Prices £SS million

	2009	2010	2011	2012	2013	2014
Corporations (Non-Financial)						
Compensation of employees	1929	2238	2461	3165	3213	2864
Operating Surplus	2306	2448	2503	2636	2784	3334
Financial Corporations						
Compensation of employees	290	337	370	476	483	436
Operating Surplus	1096	1164	1190	1253	1324	1625
General Government						
Compensation of employees	520	878	1538	1676	2226	2593
Operating Surplus	29	31	31	33	35	43
Households						
Compensation of employees	164	190	209	269	273	246
Mixed Income	389	485	749	712	775	782
Operating Surplus	53	56	58	61	64	79
NPI/SH						
Compensation of employees	113	131	144	186	188	170
Operating Surplus	0	0	0	0	0	0
Gross Domestic Income at factor cost	6889	7958	9254	10467	11365	12172
Net taxes on production	113	130	151	171	185	184
Taxes on production	113	130	151	171	185	184
Subsidies on production						
GDP at Basic prices	7002	8088	9405	10638	11550	12356
Net taxes on products	1155	1334	1551	1755	1940	1841
Taxes on products	1155	1349	1551	1755	1940	1841
Subsidies on products						
GDP at market prices	8157	9422	10956	12393	13490	14197
Net primary income from abroad	-255	-547	-901	-963	-1034	-1116
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Gross National Income	7902	8876	10055	11429	12456	13081

Chapter 3 Expenditure on Gross Domestic Product

Expenditure on Gross Domestic Product is made up of Private household final consumption expenditures, nonprofit making institutions serving households, government final consumption expenditure, gross capital formation (including changes in inventories) and net exports

Table 3.1 Composition of expenditure on GDP at current prices in US\$ million

Item/Year	2013	2014
Private Household Final Expenditure	12 115	11 522
NPISH	789	992
General Government	2 862	3 415
CFCF	1 758	1 879

Table 3.1 above and Figure 3.1 show expenditure on Gross Domestic Product at Current Prices and at Constant Prices, respectively. At current prices, private household consumption expenditure stood at US\$ 12 115 million and US\$ 11 522 for 2013 and 2014, respectively which shows a decline of 5 percent in nominal terms. At constant prices, it was US\$ 10 595 million and US\$ 9 757 million in 2013 and 2014, respectively, showing a decline of about 8 percent in real terms.

Government consumption expenditure, in nominal terms grew from US\$ 2 862 million to US\$ 3 415 million, which is a growth of about 19 percent. In real terms, it grew by about 20 percent from US\$ 2 545 million, and US\$ 3 044 million in 2013 and 2014, respectively.

Gross Capital formation which comprises of Gross Fixed Capital Formation and changes in inventories, in nominal terms rose from US\$ 1 758 million, to US\$ 1 879 million and in real terms from US\$ 1 594 million to US\$ 1 797 million for 2013 and 2014 respectively; registering about 15 percent growth in real terms.

It should be noted that except for 2011 and 2012, private household final consumption expenditure was estimated directly from PICES and for the rest of the years as a residual.

Figure 3.1 Expenditure components at constant prices in US\$ billion

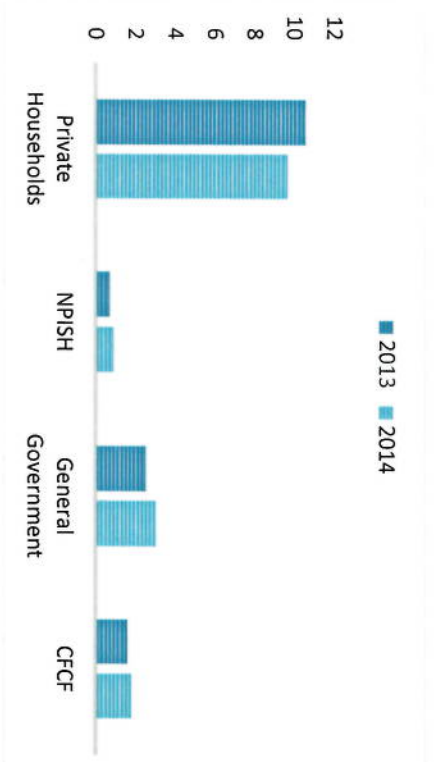


Table 3.1 (a) Expenditure on Gross Domestic Product at Current Prices US\$ million

Item/ Year	2009	2010	2011	2012	2013	2014
Final Consumption Expenditure	8920	9689	12525	14464	15765	15929
Private Households Consumption Expenditure	7596	7648	9747	11526	12115	11522
Consumption of Private Non-Profit Bodies	413	544	555	566	789	992
Government Consumption Expenditure	911	1497	2223	2372	2862	3415
Gross Capital Formation	1232	2259	2453	1687	1758	1879
Gross fixed Capital Formation	960	2048	2064	2079	1753	1873
Changes in Stocks	272	211	390	-392	5	6
Domestic Expenditure	10152	11948	14979	16151	17524	17808
Net Exports of Goods and Services	-1995	-2526	-4022	-3758	-4033	-3611
Exports of Goods and Services	1796	3466	4689	4076	3972	3842
less Imports of Goods and Services	3790	5992	8712	7834	8005	7453
Gross Domestic Product at Market Prices	8157	9422	10956	12393	13490	14197
Net Property Income from Abroad	-255	-547	-901	-963	-1034	-1116
Primary Income Received from Abroad	184	151	261	385	272	293
Primary income paid abroad	439	698	1162	1349	1306	1410
Gross National Income	7902	8876	10055	11429	12456	13081

Table 3.1 (b) Expenditure on Gross Domestic Product at Current Prices US\$ million

Item/ Year	2009	2010	2011	2012	2013	2014
Final Consumption Expenditure	109	103	114	117	117	112
Private Households Consumption Expenditure	93.1	81.2	89.0	93.0	89.8	81.2
Consumption of Private Non-Profit Bodies	5.1	5.8	5.1	4.6	5.8	7.0
Government Consumption Expenditure	11.2	15.9	20.3	19.1	21.2	24.1
	0.0	0.0	0.0	0.0	0.0	0.0
Gross Capital Formation	15.1	24.0	22.4	13.6	13.0	13.2
Gross fixed Capital Formation	11.8	21.7	18.8	16.8	13.0	13.2
Changes in Stocks	3.3	2.2	3.6	-3.2	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0
Domestic Expenditure	124.5	126.8	136.7	130.3	129.9	125.4
	0.0	0.0	0.0	0.0	0.0	0.0
Net Exports of Goods and Services	-24.5	-26.8	-36.7	-30.3	-29.9	-25.4
Exports of Goods and Services	22.0	36.8	42.8	32.9	29.4	27.1
less Imports of Goods and Services	46.5	63.6	79.5	63.2	59.3	52.5
	0.0	0.0	0.0	0.0	0.0	0.0
Gross Domestic Product at Market Prices	100.0	100.0	100.0	100.0	100.0	100.0
Net Property Income from Abroad	-3.1	-5.8	-8.2	-7.8	-7.7	-7.9
Primary Income Received from Abroad	2.3	1.6	2.4	3.1	2.0	2.1
Primary income paid abroad	5.4	7.4	10.6	10.9	9.7	9.9
Gross National Income	96.9	94.2	91.8	92.2	92.3	92.1

Table 3.1 (c) Expenditure on Gross Domestic Product at Current Prices : Nominal Growth Rates - Percentage

Item/Year	2009	2010	2011	2012	2013	2014
Final Consumption Expenditure	0	9	29	15	9	1
Private Households Consumption Expenditure	0.0	0.7	27.4	18.2	5.1	-4.9
Consumption of Private Non-Profit Bodies	0.0	31.7	2.1	2.1	39.2	25.8
Government Consumption Expenditure	0.0	64.3	48.5	6.7	20.7	19.3
Gross Capital Formation	0.0	83.4	8.6	-31.2	4.2	6.9
Gross fixed Capital Formation	0.0	113.4	0.7	0.7	-15.7	6.9
Changes in Stocks	0.0	-22.6	84.7	-200.6	-101.4	8.7
Domestic Expenditure	0.0	17.7	25.4	7.8	8.5	3.9
Net Exports of Goods and Services	0.0	26.6	59.2	-6.6	7.3	-10.5
Exports of Goods and Services	0.0	93.0	35.3	-13.1	-2.6	-3.3
less Imports of Goods and Services	0.0	58.1	45.4	-10.1	2.2	-6.9
Gross Domestic Product at Market Prices	0.0	15.5	16.3	13.1	8.9	5.2
Net Property Income from Abroad	0.0	114.5	64.8	6.9	7.3	8.0
Primary Income Received from Abroad	0.0	-17.7	72.1	47.8	-29.4	7.8
Primary income paid abroad	0.0	59.0	66.4	16.1	-3.2	7.9
Gross National Income	0.0	12.3	13.3	13.7	9.0	5.0

Table 3.2(a) Expenditure on Gross Domestic Product at Constant (2009) Prices US\$ million

	2009	2010	2011	2012	2013	2014
Final Consumption Expenditure	8920	9453	11074	13694	13842	13712
Private Consumption	7596	7473	8502	11037	10595	9757
Consumption of Private Non-Profit Bodies	413	527	487	512	702	910
Government Consumption Expenditure	911	1453	2085	2144	2546	3044
Gross Capital Formation	1232	1985	2041	945	1595	1798
Gross fixed Capital Formation	960	1769	1669	1299	1590	1792
Changes in Stocks	272	217	372	-354	5	5
Domestic Expenditure	10152	11438	13116	14638	15437	15510
	0	0	0	0	0	0
Net Exports of Goods and Services	-1995	-2353	-2949	-3397	-3692	-3313
Exports of Goods and Services	1796	3460	4397	3685	3636	3524
less Imports of Goods and Services	3790	5814	7346	7083	7328	6837
Gross Domestic Product at Market Prices	8157	9085	10167	11241	11745	12197
Net Property Income from Abroad	-255	-530	-845	-871	-946	-1024
Primary Income Received from Abroad	184	147	244	348	249	269
Primary income paid abroad	439	677	1089	1219	1196	1293
Gross National Income	7902	8555	9322	10370	10798	11173

Table 3.2(b) Expenditure on Gross Domestic Product at constant (2009) Prices -Percentage Contribution

Item/Year	2009	2010	2011	2012	2013	2014
Final Consumption Expenditure	109	104	109	122	118	112
Private Consumption	93.1	82.3	83.6	98.2	90.2	80.0
Consumption of Private Non-Profit Bodies	5.1	5.8	4.8	4.6	6.0	7.5
Government Consumption Expenditure	11.2	16.0	20.5	19.1	21.7	25.0
Gross Capital Formation	15.1	21.8	20.1	8.4	13.6	14.7
Gross fixed Capital Formation	11.8	19.5	16.4	11.6	13.5	14.7
Changes in Stocks	3.3	2.4	3.7	-3.2	0.0	0.0
Domestic Expenditure	124.5	125.9	129.0	130.2	131.4	127.2
Net Exports of Goods and Services	-24.5	-25.9	-29.0	-30.2	-31.4	-27.2
Exports of Goods and Services	22.0	38.1	43.3	32.8	31.0	28.9
less Imports of Goods and Services	46.5	64.0	72.3	63.0	62.4	56.1
Gross Domestic Product at Market Prices	100.0	100.0	100.0	100.0	100.0	100.0
Net Property Income from Abroad	-3.1	-5.8	-8.3	-7.7	-8.1	-8.4
Primary Income Received from Abroad	2.3	1.6	2.4	3.1	2.1	2.2
Primary income paid abroad	5.4	7.5	10.7	10.8	10.2	10.6
Gross National Income	96.9	94.2	91.7	92.3	91.9	91.6

Contributions of Different Types of Expenditures

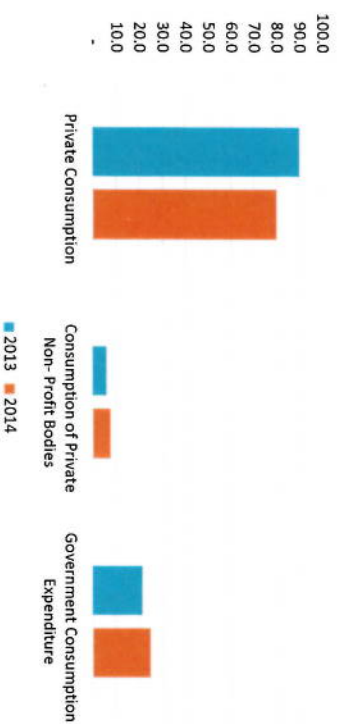


Table 3.2 (c) Expenditure on Gross Domestic Product at Constant (2009) Prices : Annual Growth Rates -Percentage

Item/ Year	2009	2010	2011	2012	2013	2014
Final Consumption Expenditure	0	6	17	24	1	-1
Private Consumption	0.0	-1.6	13.8	29.8	-4.0	-7.9
Consumption of Private Non-Profit Bodies	0.0	27.8	-7.6	5.1	37.0	29.8
Government Consumption Expenditure	0.0	59.4	43.5	2.8	18.7	19.6
Gross Capital Formation	0.0	61.1	2.8	-53.7	68.8	12.7
Gross fixed Capital Formation	0.0	84.3	-5.6	-22.2	22.4	12.7
Changes in Stocks	0.0	-20.5	72.0	-195.2	-101.4	12.7
Domestic Expenditure	0.0	12.7	14.7	11.6	5.5	0.5
Net Exports of Goods and Services	0.0	18.0	25.3	15.2	8.7	-10.3
Exports of Goods and Services	0.0	92.7	27.1	-16.2	-1.3	-3.1
less Imports of Goods and Services	0.0	53.4	26.4	-3.6	3.5	-6.7
Gross Domestic Product at Market Prices	0.0	11.4	11.9	10.6	4.5	3.8
Net Property Income from Abroad	0.0	108.1	59.3	3.1	8.7	8.2
Primary Income Received from Abroad	0.0	-20.2	66.3	42.5	-28.5	8.0
Primary income paid abroad	0.0	54.3	60.8	11.9	-1.9	8.2
Gross National Income	0.0	8.3	9.0	11.2	4.1	3.5

Chapter 4: Gross Capital Formation

Gross capital formation (GCF) is the sum of gross fixed capital formation (GFCF) and changes in stocks. Gross fixed capital formation is measured by the total value of producers' acquisitions, less disposals, of fixed assets during the accounting period plus certain additions to the value of non-produced assets realised by the productive activity of institutional units. GFCF is compiled either by type of asset and or by kind of activity for which the investment is undertaken.

Gross fixed capital formation estimates are for the years 2009 to 2014. The type of industries included in estimating GFCF are Agriculture, Fishing, Fishing Processing, Mining and Quarrying, Other Manufacturing, Electricity and Water, Wholesale and Retail trade, Repairs of Personal and Household goods, Hotels and Restaurants, Community, Social and Personal Services, all categorized under machinery and equipment and buildings and construction. GCF at constant prices, increased from US\$ 1 232 million in 2009 to a maximum of US\$ 2 041 in 2011. It declined to US\$ 1 798 million in 2014.

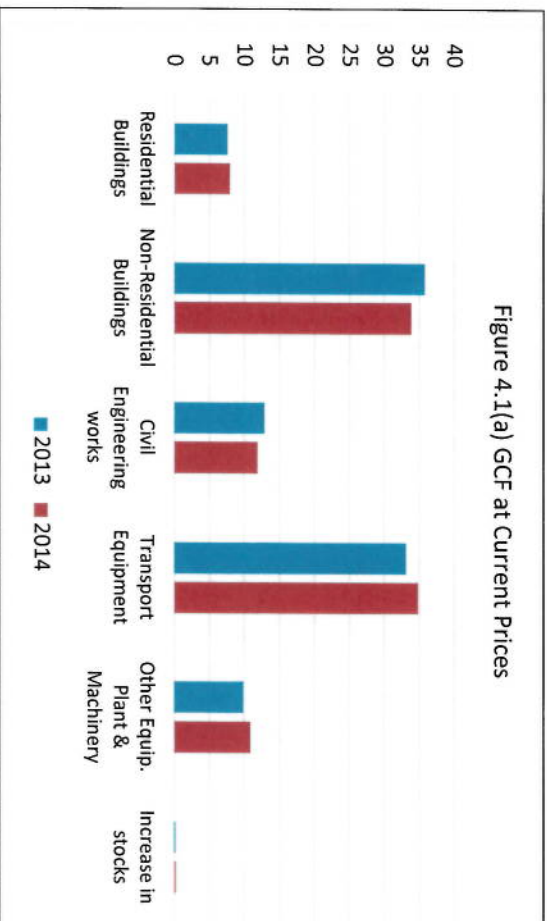


Figure 4.1(a) shows the percentage distribution of the type of industry which constitutes gross capital formation for the years 2009 to 2014. Transport Equipment had the largest share to GCF and its share fluctuated for the period under review.

There in other Plant, Equipment and Machinery may be attributed to the replacement of ageing industrial equipment, other construction machinery and new investment. Also massive investment has been taking place in the mining sector in the past few years even though the sector is experiencing negative growth in output.

Non-residential buildings have been expanding as more organizations are now setting up shopping and office malls outside the City Centre partly to avoid the traffic congestion and high City Centre rentals. Most insurance firms have been undertaking industrial park development while the hospitality industry is embarking on expansion programmes. Civil engineering works have shown an increasing trend for the period under review from a minimum of US\$ 77 million in 2009 to a maximum of US\$ 225 million in 2014. This indicates an effort towards the development of road networks and improving accessibility of other areas.

Gross fixed capital formation is estimated by industry of origin up to 2014. Table 4.2(a) and Table 4.4 (a) show GFCF at current and constant prices, respectively for the period under review. The total level of GFCF at current prices in 2014 amounted to US\$ 1 873 million, showing a 6.8 percent increase in GFCF when compared to US\$ 1 783 million in 2013.

Table 4.1 (a) Gross Capital formation at Current Prices (US\$ million)

Type of Asset	2009	2010	2011	2012	2013	2014
Total Gross Fixed Capital Formation	960	2048	2064	2079	1753	1873
Residential Buildings	54	197	144	121	135	150
Non-Residential Buildings	179	656	751	728	631	637
Civil Engineering works	77	195	202	312	228	225
Transport Equipment	650	1002	966	919	759	862
Other Equipment, Plant and Machinery	288	387	223	164	175	206
Total Gross Fixed Capital Formation	960	2048	2064	2079	1753	1873
Increase in stocks						
Materials and Supplies	231	175	321	-374	5	5
Livestock	14	11	20	-12	0	0
Finished Goods	14	6	14	4	0	0
Distribution	7	10	16	-9	0	0
Government Stocks and Others	7	8	18	-2	0	0
Total Increase in Stocks	272	211	390	-392	5	6
Total Gross Capital Formation	1232	2259	2453	1687	1758	1879
Gross Capital Formation Ratios (Percentage)						
Gross Fixed Capital Formation / GDP	12	22	19	17	13	13
Increase in stocks / GDP	3	2	4	-3	0	0
Gross Capital Formation / GDP	15	24	22	14	13	13

Table 4.1(b) Gross Capital Formation at Current Prices - Percentage Distribution

Type of Assets	2009	2010	2011	2012	2013	2014
Type of Assets						
Total Gross Fixed Capital Formation	77.9	90.7	84.1	123.2	99.7	99.7
Residential Buildings	4.4	8.7	5.9	7.1	7.7	8.0
Non-Residential Buildings	14.6	29.0	30.6	43.1	35.9	33.9
Civil Engineering works	6.2	8.6	8.2	18.5	13.0	12.0
Transport Equipment	29.4	27.2	30.3	44.7	33.2	34.9
Other Equipment, Plant and Machinery	23.4	17.1	9.1	9.7	10.0	11.0
Total Gross Fixed Capital Formation	77.9	90.7	84.1	123.2	99.7	99.7
	0.0	0.0	0.0	0.0	0.0	0.0
Increase in stocks	22.1	9.3	15.9	-23.2	0.3	0.3
Materials and Supplies	18.8	7.7	13.1	-22.2	0.3	0.3
Livestock	1.1	0.5	0.8	-0.7	0.0	0.0
Finished Goods	1.1	0.3	0.6	0.2	0.0	0.0
Distribution	0.5	0.4	0.7	-0.5	0.0	0.0
Government Stocks and Others	0.6	0.4	0.7	-0.1	0.0	0.0
Total Increase in Stocks	22.1	9.3	15.9	-23.2	0.3	0.3
Total Gross Capital Formation	100	100	100	100	100	100

Table 4.2 (a) Gross Fixed Capital Formation by Industry at Current Prices L'SS million

Industry/ year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	144	297	271	272	209	248
Mining and Quarrying	78	206	223	210	182	188
Manufacturing	148	284	287	280	223	235
Electricity and water	39	92	97	88	75	95
Construction	19	47	64	74	61	64
Finance and Insurance	79	159	156	186	164	182
Real Estate	15	32	43	60	52	58
Distribution, Hotels, and Restaurants	168	353	310	316	292	292
Transport and communication	150	291	293	263	211	224
Public administration	26	75	71	76	62	66
Education	29	78	115	140	135	135
Health	12	26	24	24	19	19
Domestic Services	5	10	9	8	7	7
Other Services	48	100	101	82	61	61
Total Fixed capital Formation	960	2048	2064	2079	1753	1873

Table 4.2 (b) Cross Fixed Capital Formation by Industry at Current Prices - Percentage Distribution

Industry / Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and Forestry	15.0	14.5	13.1	13.1	11.9	13.2
Mining and Quarrying	8.1	10.0	10.8	10.1	10.4	10.0
Manufacturing	15.4	13.9	13.9	12.7	12.7	12.5
Electricity and water	4.0	4.5	4.7	4.3	4.3	5.1
Construction	2.0	2.3	3.1	3.6	3.5	3.4
Finance and Insurance	8.3	7.7	7.6	8.9	9.4	9.7
Real Estate	1.6	1.6	2.1	2.9	3.0	3.1
Distribution, hotels, and Restaurants	17.5	17.2	15.0	15.2	16.7	15.6
Transport and communication	15.6	14.2	14.2	12.7	12.0	11.9
Public administration	2.7	3.6	3.5	3.6	3.5	3.5
Education	3.0	3.8	5.6	6.7	7.7	7.2
Health	1.3	1.3	1.2	1.1	1.1	1.0
Domestic Services	0.5	0.5	0.4	0.4	0.4	0.4
Other Services	5.0	4.9	4.9	4.0	3.5	3.3
Total Fixed capital Formation	100.0	100.0	100.0	100.0	100.0	100.0

4.3 (a) Gross Capital formation at Constant (2009) Prices US\$ million

Type of Asset	2009	2010	2011	2012	2013	2014
Total Gross Fixed Capital Formation	960	1769	1669	1299	1590	1792
Residential Buildings	51	166	115	71	111	140
Non-Residential Buildings	179	559	606	453	569	668
Civil Engineering works	77	170	162	196	207	215
Transport Equipment						
Other Equipment, Plant and Machinery	297	343	202	109	176	206
Total Gross Fixed Capital Formation	960	1769	1669	1299	1590	1792
Increase in stocks	272	217	372	-354	5	5
Materials and Supplies	230	178	307	-34	4	5
Livestock	13	11	19	-11	0	0
Finished Goods	14	7	13	4	0	0
Distribution	6	9	1	-2	0	0
Government Stocks and Others	9	12	34	-312	0	0
Total Increase in Stocks	272	217	372	-354	5	5
Total Gross Capital Formation	1232	1985	2041	945	1595	1798
Gross Capital Formation Ratios (Percentage):						
Gross Fixed Capital Formation / GDP	11.8	19.5	16.4	11.6	13.5	14.7
Increase in stocks / GDP	3.3	2.4	3.7	-3.2	0.0	0.0
Gross Capital Formation / GDP	15.1	21.8	20.1	8.4	13.6	14.7

Table 4.3 (b) Gross Capital Formation at constant (2009) Prices - Percentage Distribution

Type of Asset	2009	2010	2011	2012	2013	2014
Total Gross Fixed Capital Formation	77.9	89.1	81.8	137.5	99.7	99.7
Residential Buildings	5.3	9.4	6.9	5.5	7.0	7.8
Non-Residential Buildings	18.6	31.6	36.3	34.9	35.8	33.9
Civil Engineering works	8.0	9.6	9.7	15.1	13.0	12.0
Transport Equipment	37.2	30.0	35.0	36.1	33.1	34.8
Other Equipment, Plant and Machinery	30.9	19.4	12.1	8.4	11.1	11.5
Total Gross Fixed Capital Formation	100.0	100.0	100.0	100.0	100.0	100.0
Increase in stocks	3.3	2.4	3.7	-3.2	0.0	0.0
Materials and Supplies	18.7	9.0	15.0	-3.6	0.3	0.3
Livestock	1.1	0.6	0.9	-1.1	0.0	0.0
Finished Goods	1.1	0.3	0.6	0.4	0.0	0.0
Distribution	0.5	0.5	0.0	-0.2	0.0	0.0
Government Stocks and Others	0.7	0.6	1.7	-33.0	0.0	0.0
Total Increase in Stocks	22.1	10.9	18.2	-37.5	0.3	0.3
Total Gross Capital Formation	100.0	100.0	100.0	100.0	100.0	100.0

Table 4.4 (a) Gross Fixed Capital Formation by Industry at Constant (2009) Prices £SS million

Industry / Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	144	256	218	166	190	256
Mining and Quarrying	78	177	185	141	185	196
Manufacturing	148	250	239	178	208	216
Electricity and water	39	76	69	48	60	63
Construction	19	36	50	43	53	62
Finance and Insurance	78	142	130	117	153	175
Real Estate	15	27	33	37	44	51
Distribution, Hotels, and Restaurants	168	302	265	195	238	264
Transport and communication	150	260	219	164	207	229
Public administration	26	56	56	47	57	67
Education	29	66	91	89	107	122
Health	12	23	21	16	19	21
Domestic Services	5	9	8	5	6	7
Other Services	48	90	85	53	60	63
Total Fixed Capital Formation	960	1769	1669	1299	1590	1792

Table 4.4 (b) Gross Fixed Capital Formation by Industry at Constant (2009) Prices: Percentage Distribution

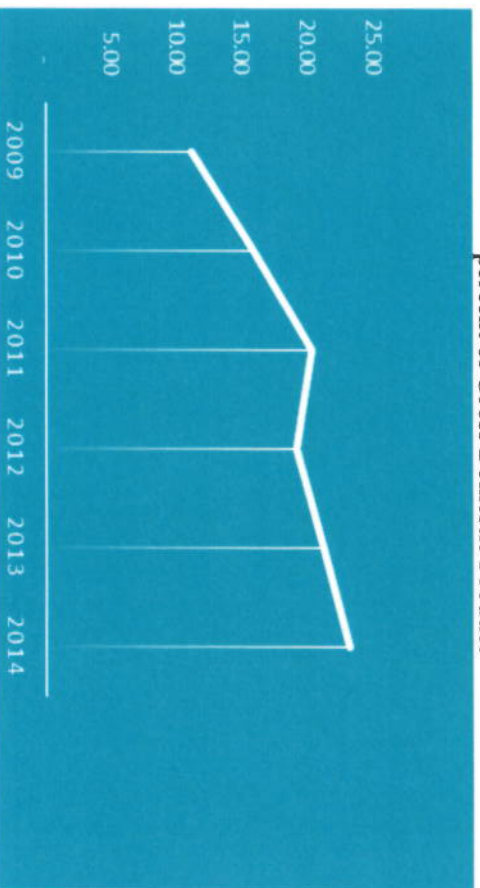
Industry / Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	15.0	14.5	13.1	12.8	12.0	14.3
Mining and Quarrying	8.1	10.0	11.1	10.8	11.7	10.9
Manufacturing	15.5	14.1	14.3	13.7	13.1	12.0
Electricity and water	4.0	4.3	4.1	3.7	3.8	3.5
Construction	2.0	2.0	3.0	3.3	3.3	3.5
Finance and Insurance	8.1	8.0	7.8	9.0	9.6	9.8
Real Estate	1.6	1.5	2.0	2.9	2.8	2.8
Distribution, Hotels, and Restaurants	17.5	17.1	15.9	15.0	15.0	14.7
Transport and communication	15.7	14.7	13.1	12.7	13.0	12.8
Public administration	2.7	3.2	3.4	3.6	3.6	3.7
Education	3.0	3.7	5.5	6.8	6.8	6.8
Health	1.3	1.3	1.3	1.2	1.2	1.2
Domestic Services	0.5	0.5	0.5	0.4	0.4	0.4
Other Services	5.0	5.1	5.1	4.1	3.8	3.5
Total Fixed Capital Formation	100.0	100.0	100.0	100.0	100.0	100.0

Chapter 5: General Government

General Government Current Final Consumption

General Government Final Consumption Expenditure is made up of the consumption expenditures of Central Government and Local Government.

Figure 5.1 General Government Final Consumption Expenditure as a percent of Gross Domestic Product



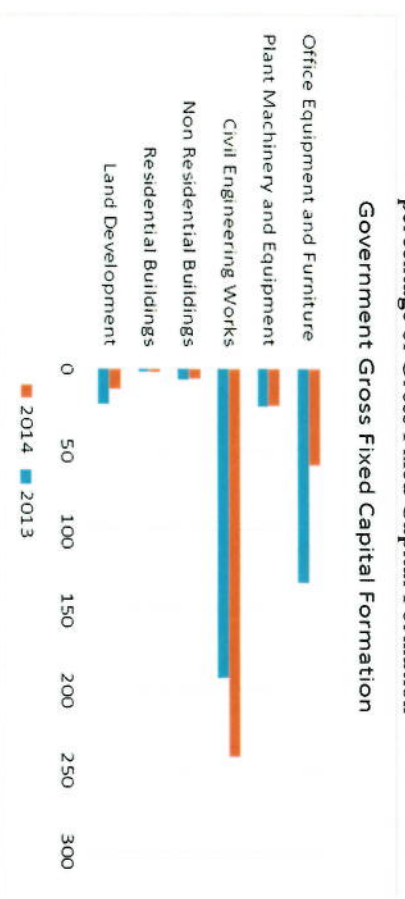
For the period 2009 to 2014, the percentage contribution of General Government Consumption Expenditure to GDP increased from 11.2 percent in 2009 to 25 percent in 2014

General Government Gross Fixed Capital Formation

General Government Gross Fixed Capital Formation is made up of Central and Local Government Gross Fixed Capital Formation. However, much of the capital formation is undertaken by Central Government. This is done on a national scale covering some areas outside the jurisdiction of local authorities.

Figure 5.2 below shows GFCF by Central Government for 2013 and 2014. During the whole period covered, Civil engineering works by this sector have been dominating Government Gross Fixed Capital Formation. Civil engineering includes road and bridge construction. Office Equipment and Furniture had the second highest proportion of the Central Government GFCF for the period under review.

Figure 5.2 Central Government Gross Fixed Capital Formation as a percentage of Gross Fixed Capital Formation



A large part of investment took place in civil engineering works over the period under review. In 2013, investment in civil engineering works was US\$193 million and this increased to US\$ 241 million in 2014, while office furniture and equipment was US\$ 133 million in 2013 and declined to US\$ 60 million in 2014.

Table 5.1 (a) Government Final Consumption Expenditure by Cost Components US\$ million

Year Ending 31 December	2009	2010	2011	2012	2013	2014
Wages and Salaries	520	878	1538	1676	2226	2593
Intermediate Consumption	124	232	346	325	341	341
Consumption of fixed capital (depreciation)	6	50	55	115	67	61
Output	650	1160	1939	2116	2634	2995
Less Fees, Sales and Recoveries (revenues side)	-13	-19	-65	-104	-257	-119
Central Government Final Consumption Expenditures	638	1141	1874	2012	2376	2877
Local Local Government Final Consumption Expenditure						
Salaries and Wages	103	154	167	203	270	315
Goods and Services (Intermediate Cons)	83	158	196	243	255	255
Consumption of fixed capital (depreciation)	1	8	9	19	11	10
Output	187	321	373	466	536	580
Less Fees sales and Recoveries	17	27	32	39	48	48
Local Government Final Consumption Expenditures	169	285	332	407	477	522
Value Added equal Salaries and Wages	103	154	167	203	270	315
Other Final Consumption Final Consumption Expenditure						
Output	114	128	85	83	92	93
Fee income	2	6	11	13	14	14
Rental income	0	1	2	2	2	2
Other Government consumption Expenditure	111	122	72	68	76	77
General Government Final Consumption Expenditures						
Wages and Salaries	623	1032	1705	1879	2496	2908
Goods and services (intermediate Cons)	207	390	542	568	595	597
Add Output from Central Government	111	122	72	68	76	77
Total Output	941	1544	2320	2514	3167	3582
Less Fees sales and recoveries	30	46	97	143	305	167
General Government Final Consumption Expenditure	911	1497	2223	2372	2862	3415
GFCF/ GDP Ratio	11.2	15.9	20.3	19.1	21.2	23.2

Table 5.1 (b) Government Gross Output by Cost Components (US\$ million) : Percent Distribution

Year Ending 31 December	2009	2010	2011	2012	2013	2014
Central Government Final Consumption Expenditures						
Wages and Salaries	80.0	75.7	79.3	79.2	84.5	86.6
Intermediate Consumption	19.1	20.0	17.8	15.4	12.9	11.4
Consumption of fixed capital (depreciation)	0.9	4.3	2.9	5.4	2.6	2.0
Output	100.0	100.0	100.0	100.0	100.0	100.0
Local Local Government Final Consumption Expenditure						
Salaries and Wages	53.0	48.0	44.9	43.7	50.4	54.2
Goods and Services (Intermediate Consumption)	44.5	49.3	52.6	52.1	47.5	44.0
Consumption of fixed capital (depreciation)	0.5	2.6	2.5	4.2	2.1	1.8
Output	100.0	100.0	100.0	100.0	100.0	100.0
Other Final Consumption Final Consumption Expenditure						
Fee income	2.0	4.4	12.8	16.2	15.0	15.0
Rental income	0.4	0.9	2.6	2.2	2.0	2.0
Output	100.0	100.0	100.0	100.0	100.0	100.0
General Government Final Consumption Expenditures						
Wages and Salaries	66.2	66.9	73.5	74.7	78.8	81.2
Goods and services (intermediate Cons)	22.1	25.2	23.4	22.6	18.8	16.7
Add Output from Central Government	11.8	7.9	3.1	2.7	2.4	2.2
Total Output	100.0	100.0	100.0	100.0	100.0	100.0

5.2 (a) Central and Local Government Gross fixed Capital Formation US\$ million

Central Govt Gross Fixed Capital Formation / Year	2009	2010	2011	2012	2013	2014
Land Development	0	7	0	20	17	8
Residential Buildings	0	0	0	0	0	0
Non Residential Buildings	0	4	0	0	0	0
Civil Engineering Works	7	144	138	250	165	216
Plant Machinery and Equipment	23	154	108	14	10	10
Office Equipment and Furniture	12	34	13	65	132	59
Total Gross Fixed Capital Formation	43	343	259	348	325	294
Local Government Gross Fixed Capital Formation						
Gross Fixed Capital Formation	7	58	44	59	55	50
Land Development	1	5	4	5	5	4
Residential Buildings	0	2	1	2	2	2
Non Residential Buildings	1	7	5	7	7	6
Civil Engineering Works	4	29	22	30	28	25
Plant Machinery and Equipment	2	14	10	14	13	12
Office Equipment and Furniture	0	1	1	1	1	1
Total GFCF	7	58	44	59	55	50
General Government Gross Fixed Capital Formation						
Gross Fixed Capital Formation	50	401	302	407	379	344
Land Development	1	12	4	25	22	13
Residential Buildings	0	2	1	2	2	2
Non Residential Buildings	1	11	5	7	7	6
Civil Engineering Works	11	173	160	280	193	241
Plant Machinery and Equipment	25	168	118	28	23	22
Office Equipment and Furniture	12	35	14	66	133	60
Other not elsewhere classified	0	0	0	0	0	0
Total GFCF	50	401	302	407	379	344
Percent Contribution						
Central Government GFCF/Total GFCF	0.0	0.0	0.0	0.0	0.0	0.0
Local Government GFCF/Total GFCF	0.0	0.0	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.0	0.0	0.0	0.0

Table 5.2(f) Government Gross Fixed Capital Formation : Percent Distribution

Item / Year	2009	2010	2011	2012	2013	2014
Local Government Gross Fixed Capital Formation	100.0	100.0	100.0	100.0	100.0	100.0
Land Development	0.6	1.9	0.0	6.0	5.5	2.9
Residential Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Non Residential Buildings	0.6	1.3	0.0	0.0	0.0	0.0
Civil Engineering Works	16.9	42.8	53.3	76.0	53.6	75.7
Plant Machinery and Equipment	54.4	45.7	41.7	4.1	3.4	3.7
Office Equipment and Furniture	27.6	8.2	5.0	13.8	37.6	17.8
Total Gross Fixed Capital Formation	100.0	100.0	100.0	100.0	100.0	100.0
General Government Gross Fixed Capital Formation	100.0	100.0	100.0	100.0	100.0	100.0
Land Development	8.9	8.9	8.9	8.9	8.9	8.9
Residential Buildings	3.2	3.2	3.2	3.2	3.2	3.2
Non Residential Buildings	11.9	11.9	11.9	11.9	11.9	11.9
Civil Engineering Works	50.6	50.6	50.6	50.6	50.6	50.6
Plant Machinery and Equipment	24.0	24.0	24.0	24.0	24.0	24.0
Office Equipment and Furniture	1.5	1.5	1.5	1.5	1.5	1.5
Total GFCF	100.0	100.0	100.0	100.0	100.0	100.0
Gross Fixed Capital Formation	100.0	100.0	100.0	100.0	100.0	100.0
Land Development	1.8	2.9	1.3	6.1	5.7	3.7
Residential Buildings	0.5	0.5	0.5	0.5	0.5	0.5
Non Residential Buildings	2.2	2.8	1.7	1.7	1.7	1.7
Civil Engineering Works	21.6	43.3	52.9	68.7	50.8	70.2
Plant Machinery and Equipment	49.7	41.8	39.1	6.8	6.2	6.5
Office Equipment and Furniture	24.2	8.7	4.5	16.2	35.1	17.4
Other not elsewhere classified	0.0	0.0	0.0	0.0	0.0	0.0
Total GFCF	100.0	100.0	100.0	100.0	100.0	100.0

Chapter 6: External Transactions Account

The source of this account is the statement of the Balance of Payments (BOP) prepared by the Reserve Bank of Zimbabwe. The Balance of Payments Manual is being harmonised with the 1993 System of National Accounts (SNA). The table shows the external current account transactions of the country with the rest of the world. The external transactions account shows the trade in goods and services, payment and receipt of primary incomes and transfers between residents and non-residents.

The country has had a deficit on the current account from 2009 to 2014. There are three main components of the balance of the current account and these are the balance on goods and services, balance on primary incomes and the balance on current transfers. Figure 1 shows how each of the three components of the balance of the current account had been performing from 2009 to 2014.

The balance on goods and services: The balance on goods and services is the net on the import and export of goods and services between the country and the rest of the world. Exports and imports cover movements of goods across customs borders. Generally, exports are valued f.o.b. (free on board) and imports are valued c.i.f. (cost, plus insurance, and freight). For the years 2009 to 2014, the country has had a deficit on the balance of trade implying that imports exceeded exports.

The balance on primary incomes: This is the net of the receipt and payment of labour, property and entrepreneurial income by institutional units that are resident in Zimbabwe. The incomes accrue to institutional units as a consequence of their involvement in processes of production or ownership of assets that may be needed for purposes of production. The primary incomes that accrue by lending or renting financial or tangible non-produced assets, including land, to other units for use in production are called property incomes. For the years from 2009 to 2014, there has been a deficit, implying that the country pays out more than what it receives.

The balance on current transfers: This item includes all unrequited transfers between residents and non-residents. This balance has always been a surplus as it constitutes most of the foreign aid to the country. The surplus increased from US\$1 041 million in 2009 to US\$ 1 688 million in 2014.

Figure 1 Balance of the Current Account in US\$

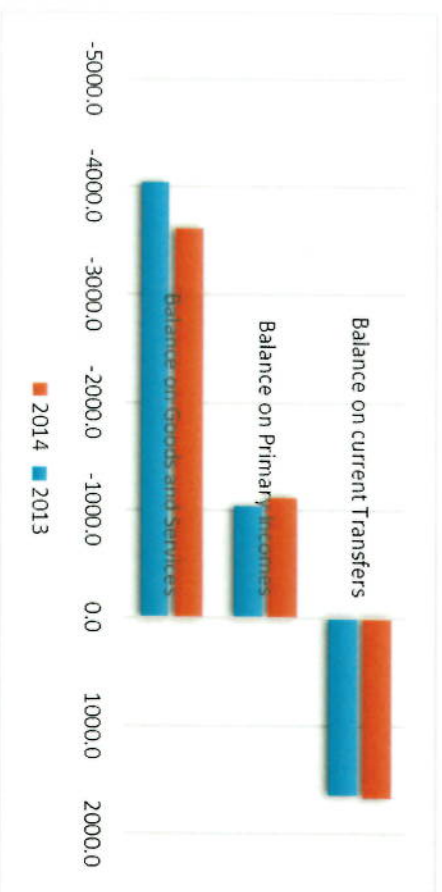


Table 6.1 External Transactions on Current Account at Current Prices US\$ million

	2009	2010	2011	2012	2013	2014
Payments to the rest of the world	4240	6707	9902	9216	9344	8898
Imports of goods and services	3790	5992	8712	7834	8005	7453
Primary income paid to the rest of the world	439	698	1162	1349	1306	1410
Compensation of employees	11	17	29	34	33	35
Property and entrepreneurial income paid by:						
General Government	428	681	1133	1315	1273	1374
Corporate and quasi-corporate enterprises	269	428	712	827	801	864
Other	159	253	420	488	472	510
Other	0	0	0	0	0	0
Current transfers to the rest of the world	16	13	16	18	23	26
Surplus of the nation on current transactions	-1224	-1878	-3386	-3042	-3432	-3065
Receipts from the rest of the world	3021	4824	6504	6159	5903	5823
Exports of goods and services	1796	3466	4689	4076	3972	3842
Primary income received from abroad	184	151	261	385	272	293
Compensation of employees	17	14	25	36	26	28
Property and entrepreneurial income received by:						
General Government	167	137	236	349	246	266
Corporate and quasi-corporate enterprises	88	72	124	184	130	140
Other	77	63	109	161	113	122
Other	2	2	3	4	3	3
Current transfers from abroad	1041	1207	1554	1697	1658	1688

Table 6.2. Relations among national Accounting Aggregates US\$ million

	2009	2010	2011	2012	2013	2014
GDP at market prices	8157	9422	10956	12393	13490	14197
Plus Net Property Income from Abroad	-255	-547	-901	-963	-1034	-1116
Primary Income Received from Abroad	184	151	261	385	272	293
Primary Income paid abroad	439	698	1162	1349	1306	1410
Gross National Income	7902	8876	10055	11429	12456	13081
Plus net Current transfer from Abroad	1025	1194	1538	1679	1635	1662
Current Transfers from Abroad	1041	1207	1554	1697	1658	1688
Current Transfers abroad	16	13	16	18	23	26
Equals National Disposable Income	8927	10070	11593	13108	14091	14743
less Final Consumption Expenditure	8920	9689	12525	14464	15766	15929
Private Consumption	7596	7648	9747	11526	12115	11522
Consumption of Private Non-Profit Bodies	413	544	555	566	789	992
Government Consumption Expenditure	911	1497	2223	2372	2862	3415
Equals Gross National Savings	8	381	-932	-1355	-1674	-1186
Financing of Capital formation						
Gross Savings	8	381	-932	-1355	-1674	-1186
Plus net balance on Capital Account	43	1471	2603	2607	3040	3025
Balance on Capital Account	587	587	1633	1722	2723	2915
Net errors and Commissions	-544	884	970	885	317	110
Equals Total Gross Savings and net lending	51	1852	1671	1252	1366	1839
Capital Formation						
less Capital formation	1232	2259	2453	1687	1758	1879
Gross Fixed Capital Formation	960	2048	2064	2079	1753	1873
Changes in stocks	272	211	390	-392	5	6
Equals net lending (+)/ net borrowing (-)	-1224	-1878	-3386	-3042	-3432	-3065
savings as percentage of GDP	0	4	-9	-11	-12	-8
Savings Growth rates	0.0	4701.5	-344.7	45.4	23.5	-29.1

Table 7.1 Gross Domestic Product and related Aggregates at Current Prices US\$ million

Item / Year	2009	2010	2011	2012	2013	2014
GDP at factor cost	6889	7958	9254	10467	11365	12172
GDP at basic prices	7002	8088	9405	10638	11550	12356
GDP at Market Prices	8157	9422	10956	12393	13490	14197
Gross National Income	7902	8876	10055	11429	12456	13483
Gross fixed Capital Formation	960	2048	2064	2079	1753	1873
Gross Capital Formation	1232	2259	2453	1687	1758	1879
Private Consumption	7596	7648	9747	11526	12115	11522
Population	12	12	12	13	13	14
GDP percapita at market prices in (US\$)	667	764	879	949	1005	1030
GNI percapita US\$	646	719	807	875	928	979
GFCF percapita (US\$)	78	166	166	159	131	136
Percent contributions						
GFCF/GDP percent	11.8	21.7	18.8	16.8	13.0	13.2
GCF/GDP Percent	15.1	24.0	22.4	13.6	13.0	13.2
Annual Growth rates						
GNI	0.0	12.3	13.3	13.7	9.0	8.2
GNI percapita	0.0	111.6	-0.3	-3.9	-18.0	4.2

Table 7.2. Gross Domestic Product and related Aggregates at Constant (2009) Prices US\$ millions

Item / Year	2009	2010	2011	2012	2013	2014
GDP at Factor Cost	6889	7673	8587	9494	9854	10240
GDP at Basic Prices	7002	7799	8727	9649	10019	10418
GDP at Market Prices	8157	9085	10167	11241	11745	12197
Gross National Income	7902	8555	9322	10370	10798	11173
Gross fixed Capital Formation	960	1769	1669	1299	1590	1792
Gross Capital Formation	1232	1985	2041	945	1595	1798
Private household final Consumption Expenditure	7596	7473	8502	11037	10595	9675
Population	12	12	12	13	13	14
GDP percapita at market prices (in US\$)	563	622	689	727	734	743
GNI percapita (in US\$)	646	693	748	794	804	811
GFCF percapita (in US\$)	78	143	134	99	118	130
Percent contributions						
GFCF/GDP percent	12.1	20.7	17.9	12.5	14.7	16.0
GCF/GDP Percent	15.1	21.8	20.1	8.4	13.6	14.7
Annual Growth rates						
GNI	0.0	8.3	9.0	11.2	4.1	3.5
GNI percapita	0.0	82.7	-6.6	-25.8	19.0	9.9

Table 7.3 (a) Production Account at Current Prices (US\$ million)

Item / Year	2009	2010	2011	2012	2013	2014
Output at Current Prices						
Agriculture, Hunting and Fishing and Forestry	2153	2411	2546	2868	2842	3552
Mining and Quarrying	890	1274	1597	1688	1883	1836
Manufacturing	1422	1478	1725	1893	1943	1933
Electricity and water	398	513	623	640	703	781
Construction	271	369	584	1187	526	562
Finance and Insurance	658	1081	1153	1621	1935	2082
Real Estate	165	189	289	453	510	576
Distribution, Hotels, and Restaurants	1406	1602	1865	1406	2224	2244
Transport and communication	1429	3540	4110	4151	4278	4600
Public administration	209	328	361	430	452	490
Education	238	345	588	805	997	1157
Health	137	160	172	188	194	197
Domestic Services	35	38	41	40	43	45
Other Services	431	491	571	524	503	508
Total Gross Output	9852	13818	16224	17896	19031	20564

Table 7.3 (b) Production Account at Current Prices US\$ million

Item / Year	2009	2010	2011	2012	2013	2014
Intermediate consumption at current prices						
Agriculture, Hunting and Fishing and forestry	1125	1254	1324	1492	1478	1847
Mining and Quarrying	329	471	591	625	697	679
Manufacturing	355	370	431	473	486	483
Electricity and water	119	154	187	192	211	234
Construction	134	187	295	811	128	136
Finance and Insurance	86	462	450	678	862	928
Real Estate	55	63	96	151	169	191
Distribution, Hotels, and Restaurants	199	227	468	-195	314	317
Transport and communication	348	2402	2789	2818	2903	3122
Public administration	23	36	40	47	50	54
Education	28	41	69	95	118	136
Health	50	58	63	68	71	72
Domestic Services	0	0	0	0	0	0
Other Services	89	101	117	108	103	104
Total Intermediate Consumption	2941	5825	6920	7362	7589	8306

Table 7.3 (c) Production Account at Current Prices US\$ million

Item / Year	2009	2010	2011	2012	2013	2014
Value Added at current Prices						
Agriculture, Hunting and Fishing and forestry	1038	1157	1222	1377	1364	1705
Mining and Quarrying	561	802	1006	1064	1187	1187
Manufacturing	1066	1109	1293	1420	1457	1450
Electricity and water	279	359	436	448	492	546
Construction	137	182	289	376	399	426
Finance and Insurance	572	619	704	943	1073	1154
Real Estate	110	126	193	303	341	385
Distribution, Hotels, and Restaurants	1207	1376	1397	1601	1909	1927
Transport and communication	1080	1137	1320	1334	1374	1478
Public administration	186	292	321	383	402	436
Education	210	304	518	710	879	1021
Health	87	102	109	119	123	125
Domestic Services	35	38	41	40	43	45
Other Services	343	390	453	416	400	404
Less Fin. Int Services Indirectly Measured	-22	-36	-50	-67	-77	-86
GDP at factor cost	6889	7958	9254	10467	11365	12172

Table 7.4 (a) Gross Domestic Product by kind of Activity and Ownership at Current Prices US\$ million

Item / Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and forestry	1038	1157	1222	1377	1364	1705
Public	23	25	27	30	30	36
Private	1016	1132	1196	1347	1334	-36
Mining and Quarrying	561	802	1006	1064	1187	1157
Public	0	0	0	0	0	0
Private	561	802	1006	1064	1187	1157
Manufacturing	1066	1109	1293	1420	1457	1450
Public	21	22	26	28	29	31
Private	1045	1087	1268	1391	1428	1419
Electricity and water	279	359	436	448	492	546
Public	279	359	436	448	492	546
Private	0	0	0	0	0	0
Construction	137	182	289	376	399	426
Public	29	38	60	79	83	89
Private	108	144	228	298	315	337
Finance and Insurance	572	619	704	943	1073	1154
Public	115	125	142	190	216	193
Private	457	494	562	753	857	961
Real Estate	110	126	193	303	341	382
Public	0	0	0	0	0	382
Private	110	126	193	303	341	0
Distribution, Hotels, and Restaurants	1207	1376	1397	1601	1909	1927
Public	18	20	21	24	28	28
Private	1189	1356	1377	1578	1881	1898
Transport and communication	1080	1137	1320	1334	1374	1478
Public	374	394	457	462	476	512
Private	706	743	863	872	898	966
Public administration	186	292	321	383	402	436
Public	186	292	321	383	402	436
Private	0	0	0	0	0	0

CONTINUED

7.4 (a) Gross Domestic Product by kind of Activity and Ownership at Current Prices US\$ million

Item / Year	2009	2010	2011	2012	2013	2014
Education	210	304	518	710	879	1021
Public	196	284	484	663	821	835
Private	14	20	35	47	59	185
Health	87	102	109	119	123	125
Public	62	72	77	84	87	88
Private	26	30	32	35	36	37
Domestic Services	35	38	41	40	43	45
Public	0	0	0	0	0	0
Private	35	38	41	40	43	45
Other Services	343	390	453	416	400	404
Public	57	65	75	69	67	67
Private	286	325	378	347	333	336
FISIM	-22	-36	-50	-67	-77	-86
Gross Domestic Product at factor cost	6889	7958	9254	10467	11365	12172

Table 7.5 Cost Components of the Gross Domestic Product at Current Prices US\$ million

Item / Year	2009	2010	2011	2012	2013	2014
Net Taxes on Production	113	130	151	171	185	184
Other taxes on production	113	130	151	171	185	184
Other subsidies on production	0	0	0	0	0	0
Net Taxes on Products	1155	1334	1551	1755	1940	1841
Taxes on products	1155	1334	1551	1755	1940	1841
Subsidies on products	0	0	0	0	0	0
Compensation of Employees	3016	3774	4723	5772	6383	6346
Gross Operating Surplus	3484	3699	3782	3983	4207	5164
Mixed Income	389	485	749	712	775	662
Gross Domestic Product at Market Prices	8157	9422	10956	12393	13490	14197

Table 7.6 Gross Savings by Type of Institution US\$ million

Item / Year	2009	2010	2011	2012	2013	2014
Total General Government	-2	-88	214	311	385	273
-Central Government	-2	-88	215	313	387	274
-Local Government	0	1	-1	-2	-2	-2
Public Corporations (Parastatals)	0	0	1	1	1	1
-Financial	0	8	-18	-27	-33	-23
-Non-financial	0	-8	19	28	34	24
Private Financial Institutions	0	9	-22	-33	-40	-29
Rest of the Economy	10	460	-1125	-1635	-2019	-1431
Gross National Saving	8	381	-932	-1355	-1674	-1186

Table 7.7 (a) Quarterly Employment Survey

Item / Year	2009	2010	2011	2012	2013	2014
A Numbers of employees (Annual Average)						
Agriculture	204	395	346	304	267	328
Mining	34	36	42	43	40	38
Manufacturing	136	138	129	119	97	93
Electricity & Water	13	16	16	17	17	19
Construction	23	21	20	19	19	20
Financial Services & Real Estate	67	72	68	61	50	51
Distribution	76	78	69	75	81	82
Transport & Communication	30	29	29	31	36	36
Public Administration	85	95	96	100	103	110
Education	114	122	130	136	143	147
Health	42	48	48	44	45	46
Private Domestic Services	97	97	87	84	84	84
Other	50	52	55	57	54	55
Total	969	1199	1136	1089	1035	1108
Annual Growth %	-0.9	108.9	-8.9	-4.1	-5.0	7.0
Employment Index	100.0	123.8	117.2	112.4	106.8	114.3

Employment and Earnings Indices

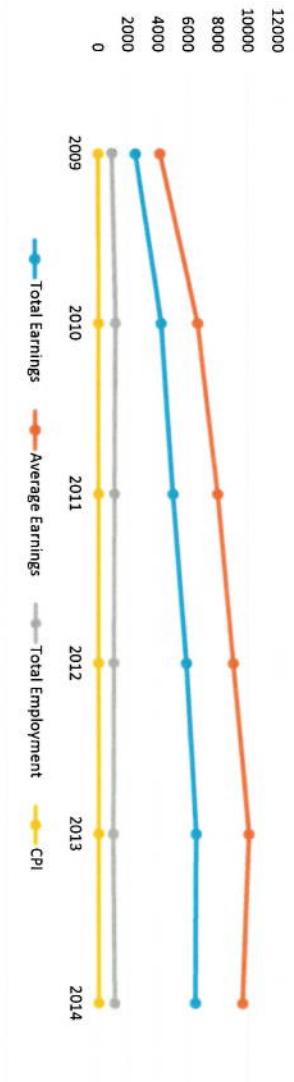


Table 7.7 (b) Quarterly Employment Survey

Item / Year	2009	2010	2011	2012	2013	2014
B Annual Earnings in Hundred Thousands						
Agriculture	307	631	502	435	454	624
Mining	80	231	303	355	355	392
Manufacturing	626	831	842	868	746	752
Electricity & Water	100	123	214	245	292	326
Construction	76	129	120	148	193	135
Financial Services & Real Estate	197	473	495	557	597	482
Distribution	220	477	451	538	553	527
Transport & Communicatio	111	165	197	308	338	348
Public Administration	218	351	608	671	858	898
Education	238	363	607	813	963	1054
Health	80	149	219	375	402	314
Private Domestic Services	74	74	79	103	109	114
Other	275	307	452	571	756	590
Total	2601	4305	5089	5986	6616	6556
Annual Growth %	0.0	65.5	18.2	17.6	10.5	-0.9
Earnings Index (Nominal)	100.0	165.5	195.7	230.2	254.4	252.1

Table 7.7 (c) Quarterly Employment Survey

Item / Year	2009	2010	2011	2012	2013	2014
C Average Earnings US\$						
Agriculture	150	160	145	143	170	190
Mining	236	640	720	827	891	1020
Manufacturing	462	604	654	732	768	808
Electricity & Water	789	780	1340	1437	1750	1732
Construction	331	604	596	763	1000	669
Financial Services & Real Estate	295	658	731	911	1200	942
Distribution	291	614	655	718	683	642
Transport & Communicatio	377	563	672	988	940	980
Public Administration	257	368	631	673	832	817
Education	209	298	467	462	462	462
Health	190	311	454	845	888	688
Private Domestic Services	76	76	91	123	131	137
Other	554	587	816	1010	1413	1081
Total	4216	6705	8025	9070	10111	9677
Annual Growth %	0.0	59.0	19.7	13.0	11.5	-4.3

Table 7.7 (d) Quarterly Employment Survey

Item / Year	2009	2010	2011	2012	2013	2014
D Average Earnings Index:						
Agriculture	100.0	106.7	96.7	95.3	113.3	126.7
Mining	100.0	270.8	112.5	114.8	107.8	114.5
Manufacturing	100.0	130.7	108.3	112.0	104.9	105.3
Electricity & Water	100.0	98.9	171.7	107.3	121.8	98.9
Construction	100.0	182.5	98.6	128.1	131.0	66.9
Financial Services & Real Estate	100.0	223.2	111.1	124.7	131.7	78.5
Distribution	100.0	211.3	106.6	109.7	95.1	94.0
Transport & Communicatio	100.0	149.5	119.2	147.0	95.2	104.3
Public Administration	100.0	143.6	171.4	106.6	123.5	98.2
Education	100.0	142.6	157.0	98.9	100.0	100.0
Health	100.0	414.3	146.0	185.9	105.1	77.5
Private Domestic Services	100.0	435.8	12.0	135.2	105.9	104.8
Other	100.0	53.2	139.0	123.8	139.9	76.5
Total	100.0	159.0	119.7	113.0	111.5	95.7

Table 7.7 (e) Quarterly Employment Survey

Item / Year	2009	2010	2011	2012	2013	2014
E Average Earnings Index <i>Annual Change (%)</i>						
Agriculture	0.0	105.9	-20.4	-13.4	4.4	37.5
Mining	0.0	190.5	31.0	17.3	-0.2	10.4
Manufacturing	0.0	32.7	1.4	3.1	-14.1	0.9
Electricity & Water	0.0	23.4	73.9	14.5	19.5	11.4
Construction	0.0	68.7	-6.8	23.0	30.6	-29.8
Financial Services & Real Estate	0.0	140.6	4.7	12.4	7.2	-19.2
Distribution	0.0	116.8	-5.5	19.2	2.8	-4.7
Transport & Communicatio	0.0	48.0	19.8	56.2	10.0	2.8
Public Administration	0.0	61.2	73.0	10.3	27.9	4.7
Education	0.0	52.8	67.1	33.9	18.5	9.5
Health	0.0	85.7	46.4	71.5	7.2	-22.0
Private Domestic Services	0.0	0.0	7.4	29.8	5.9	4.8
Other	0.0	12.0	47.0	26.4	32.3	-22.0
Total	0.0	65.5	18.2	17.6	10.5	-0.9
CPI	89.5	92.2	95.4	99.0	100.6	100.4
Annual Inflation Rate % (CPI)		3.1	3.5	3.7	1.6	-0.2

Table 7.8 Central Government Final Consumption Expenditure by Commodity (US\$ million)

Item / Year	2009	2010	2011	2012	2013	2014
Compensation of employees	520	878	1538	1676	2226	2593
Agricultural products	12	26	38	41	38	38
Food, drink and tobacco	9	20	28	31	29	28
Textiles, clothing and footwear	3	7	9	10	10	10
Wood and furniture products	0	0	0	0	0	0
Paper and paper products	4	9	12	13	12	12
Chemical, petroleum, rubber and plastics	13	29	41	45	42	41
Non-metallic mineral products	0	0	0	0	0	0
Basic and fabricated non-electrical metal products	2	4	6	6	6	6
Electrical products	4	9	12	14	13	12
Transport equipment	10	21	29	32	30	30
Other manufacturing products	0	0	0	0	0	0
Electricity and water	9	19	27	30	28	27
Repairs and maintenance of construction works	17	37	53	58	54	53
Finance, insurance and real estate	0	0	0	0	0	0
Trade, hotels and restaurants	11	24	35	38	35	35
Transport, storage and communications	16	34	48	53	49	48
Sanitary and similar services	0	0	0	0	0	0
Education	3	7	10	11	10	10
Health	2	5	8	8	8	8
Other social, recreational and cultural services	2	7	10	10	10	10
Business services	3	4	5	6	6	5
Other services	2	4	5	6	6	5
Activities not adequately defined	6	14	19	21	20	19
Goods and Services	3	7	9	10	9	9
Total Intermediate Consumption and Compensation of Employees	130	281	401	440	408	402
Less: Fees, Sales and Recoveries	781	1441	2341	2556	3041	3398
Total Final Consumption	13	19	65	104	257	119
	768	1422	2276	2452	2784	3279

Table 7.9 (a) Summary of Central Government Accounts US\$ million

Year ending 31 December	2009	2010	2011	2012	2013	2014
Total Revenue and Grants	1029	2465	2997	3589	3856	3817
Total Revenue	1029	2465	2997	3589	3856	3817
Current Revenue	1025	2461	2994	3588	3855	3816
Tax	883	2215	2661	3279	3414	3476
Nontax	143	246	333	309	441	340
Capital Revenue	3	4	3	1	1	1
Grants	0	0	0	0	0	0
Current	0	0	0	0	0	0
Capital	0	0	0	0	0	0
Total Expenditure and Net Lending	986	2239	2973	3661	4120	4002
Total Expenditure	918	1980	2890	3538	4038	4296
Current Expenditure	804	1603	2501	3178	3570	3565
Capital Expenditure	45	415	353	302	386	354
Lending Minus Repayment	0	0	0	0	0	0
Overall Deficit (-) / Surplus (+)	42	225	25	-73	-264	-184
Financing	-42	-225	-25	73	264	184
Abroad	0	0	0	0	0	0
Domestic	-42	-225	-25	73	264	184
Government Debt Outstanding (Excluding Abroad)						

Table 7.9(b) Revenue and Grants of Central Government US\$ million

Year ending 31 December	2009	2010	2011	2012	2013	2014
Total Revenue and Grants	1029	2465	2997	3589	3856	3817
Total Revenue	1029	2465	2997	3589	3856	3817
Current Revenue	1029	2465	2997	3589	3856	3817
Tax Revenue	886	2218	2665	3280	3415	3477
Income etc	221	852	1072	1392	1376	1515
Individual	156	428	588	661	744	900
Corporate	44	236	296	445	404	365
Other Unallocable	21	168	188	287	227	250
Tax on Property	3	4	3	3	3	3
Estate, Inherit, Gift Taxes	3	4	3	1	1	1
Taxes-Finance & Capital Transactions	0	0	0	0	0	0
Domestic Taxes-Goods & Services	449	1023	1256	1533	1677	1631
General Taxes, Turnover V.A.T.	367	830	912	1086	1068	984
Excises	68	165	307	394	510	517
Taxes on Specific Services.	14	28	38	52	98	129
Taxes - Use Goods, or permission to use goods	0	0	0	0	0	0
Taxes - International Trade & Transactions	212	340	333	354	361	330
Import Duties	212	340	333	354	361	330
Exchange Taxes	0	0	0	0	0	0
Other	0	0	0	0	0	0
Non Tax Revenue	143	246	333	309	441	340
Entrepreneur & Property Income	3	59	159	93	41	111
Admin Fees, Charges, Nonindustrial & incidental sales	13	19	65	104	257	119
Fines and Penalties	32	41	28	17	17	15
Contribution-Gov. Employees Pension Fund	1	1	4	2	10	6
Other Nontax Revenue	95	125	77	93	115	90
Capital Revenue	0	0	0	0	0	0
Sales of Fixed Capital Assets	0	0	0	0	0	0
Sales - Land & Intangible Assets	0	0	0	0	0	0
Capital Transfers from Non-Govt.	0	0	0	0	0	0
Grants from Abroad	0	0	0	0	0	0

Table 7.9c Classification of Functions of Central Government Expenditure US\$ million

Year ending 31 December	2009	2010	2011	2012	2013	2014
General Public Services	367	681	994	1071	1219	1468
Defence Affairs & Services	81	176	255	352	362	382
Public Order & Safety Affairs	92	109	344	408	605	533
Education Affairs & Services	200	464	709	922	1023	1065
Preprimary, Primary & Secondary Education	168	313	508	674	752	796
Tertiary Education	33	151	202	247	271	269
Health Affairs & Services	76	151	233	260	268	276
Social Security, Welfare Affairs & Services	6	28	24	17	49	129
Housing & Community Amenities Affairs & Services	8	6	9	119	110	80
Recreational, Cultural & Religious Affairs & Services	18	31	43	50	51	68
Economic Services	70	335	279	338	353	296
Fuel & Energy Affairs & Services	1	22	37	29	2	1
Agric, Forestry, Fishing, & Hunting Affairs & Services	41	223	163	209	234	233
Mining & Mineral Resources Affairs	2	3	5	3	5	3
Transportation & Communication Affairs & services	18	82	70	87	82	40
Other Economic Affairs & Services	8	5	5	10	31	18
Total	918	1980	2890	3538	4038	4296

7.9(d) Central Government Expenditures and Net Lending by Economic Group US\$ million

Year ending 31 December	2009	2010	2011	2012	2013	2014
Total Expenditure and Net Lending	986	2239	2973	3661	4120	4002
Total Expenditure	986	2239	2973	3661	4120	4002
Current Expenditure	804	1603	2501	3178	3570	3565
Expenditure on Goods & Services	702	1348	1998	2609	2783	2908
Wages & Salaries	508	947	1544	2134	2344	2583
Other Purchases - Goods & Services	195	402	454	475	439	325
Interest Payments	20	31	34	21	23	43
Subsidies & Other Current Transfers	106	224	469	562	763	637
Subsidies	0	0	0	0	0	0
Transfers - Other Levels Government	106	224	469	562	763	637
Transfers to Non Profit Institutions etc.	0	0	0	0	0	0
Capital Expenditure	45	415	353	302	386	354
Acquisition of Fixed Capital Assets	45	415	353	302	386	354
Purchase of Land & Intangible Assets	0	0	0	0	0	0
Total Revenues and Grants	1029	2465	2997	3589	3856	3817
Surplus/Deficit	42	225	25	-73	-264	-184
Net Financing	-42	-225	-25	73	264	184
Domestic	-42	-225	-25	73	264	184
Abroad	0	0	0	0	0	0

Table 7.9 (c) Financing by Type of Holder - Central Government US\$ million

Year ending 31 December	2009	2010	2011	2012	2013	2014
Total Financing	-42	-225	-25	61	121	260
Domestic Financing	0	0	0	0	0	0
From Other General Government	0	0	0	0	0	0
From Deposit Money Banks	-42	-225	-25	105	113	315
Financing Abroad	0	0	0	-44	9	-55

Table 7.9 (d) Financing by Type of Debt Instrument - Central Government US\$ million

Year ending 31 December	2009	2010	2011	2012	2013	2014
Total Financing	-42	-225	-25	61	121	260
Domestic Financing	-42	-225	-25	105	113	315
Long Term Bonds	0	0	0	0	0	0
Short Term Bonds & Bills	0	0	0	0	0	0
Short Term Loans & Advances N.E.C.	-42	-225	-25	105	113	315
Changes in Cash, Deposits, etc.	0	0	0	0	0	0
Financing Abroad	0	0	0	-44	9	-55
Long Term Bonds	0	0	0	0	0	0
Long Term Loans	0	0	0	0	0	0
Short Term Loans & Advances N.E.C.	0	0	0	-44	9	-55
Other Liabilities	0	0	0	0	0	0

Table 7.9(g) Outstanding Debt by Type of Debt Holder - Central Government US\$ million

Year ending 31 December	2009	2010	2011	2012	2013	2014
Total Debt	6289	6695	7385	7497	8934	10838
Domestic Debt	na	na	na	na	na	na
Foreign Debt (External Debt)	6289	6695	7385	7497	8934	10838

Table 7.10 (a) Local Government Revenue US\$ million

Year ending 31 December	2009	2010	2011	2012	2013	2014
Total Revenue and Grants	86	207	252	302	325	321
Total Revenue	83	199	243	290	313	309
Current Revenue	83	199	243	290	313	309
Tax Revenue	71	177	213	262	273	278
Property	55	138	166	204	213	217
Goods and Services	9	22	26	32	33	34
Other Taxes	5	12	14	17	18	18
Non Tax Revenue	13	22	30	28	40	31
Enterprise & Property Income	2	3	5	4	6	5
Fees, Charges, Sales, Fines & Forfeits	11	19	25	24	34	26
Capital Revenue	0	0	0	0	0	0
Grants	2	8	10	11	12	12

Table 7.10(b) Local Government Expenditure by Function (ISS million)

Year ending 31 December	2009	2010	2011	2012	2013	2014
Total Expenditure	88	189	276	338	386	411
General Public Services	25	53	77	95	108	115
Defence	0	0	0	0	0	0
Public order and Safety	0	0	0	0	0	0
Education:	1	2	3	3	4	4
Health	11	25	36	44	50	53
Social Security & Welfare	0	0	0	0	0	0
Housing & Community Amenities	16	34	50	61	69	74
Recreational, Cultural & Religious Affairs	4	9	14	17	19	21
Fuel & Energy	12	26	39	47	54	57
Agriculture Forestry, Fish, Hunting	0	0	0	0	0	0
Nonfuel Mining & Mineral Resources	11	23	33	41	46	49
Transport & Communication	0	0	0	0	0	0
Other Economic.	8	17	25	30	35	37
Other	0	0	0	0	0	0

Table 7.10(c) Expenditure and Net Lending by Economic Group - Local Government US\$ million

Year ending 31 December	2009	2010	2011	2012	2013	2014
Total Expenditure and Net Lending	88	189	276	338	386	411
Total Expenditure	90	195	284	348	397	423
Current Expenditure	77	167	243	298	340	361
Goods and Services	68	146	213	260	297	316
Wages and Salaries	32	68	99	122	139	148
Other Purchases of Goods and Services	36	78	113	139	158	168
Interest Payments	10	21	30	37	42	45
Subsidies and Other Current Transfers	0	0	0	0	0	0
Other Lev. Nat. Govt.	0	0	0	0	0	0
Capital Expenditure	13	28	41	51	58	62
Purchase of Stocks, Land and Fixed Capital Assets	13	28	41	51	58	62
Total Lending minus Repayments	-2	18	-24	-36	-61	-90
To Other Levels National Government	0	0	0	0	0	0
Deficit (-) / Surplus (+)	-2	18	-24	-36	-61	-90

Table 7.11 Gross Domestic Product Implied Deflators

Industry / Year	2009	2010	2011	2012	2013	2014
Agriculture, Hunting and Fishing and Forestry	100.0	103.9	108.2	113.1	115.0	116.9
Mining and Quarrying	100.0	104.2	105.0	102.8	102.7	103.6
Manufacturing	100.0	102.0	104.5	108.9	112.4	117.9
Electricity and water	100.0	107.8	123.2	126.2	131.9	139.0
Construction	100.0	116.8	112.0	118.3	120.6	120.6
Finance and Insurance	100.0	100.0	105.0	109.9	112.4	112.3
Real Estate	100.0	109.0	112.0	110.4	123.3	133.1
Distribution, hotels, and Restaurants	100.0	104.7	102.0	112.1	128.6	126.6
Transport and communication	100.0	100.5	116.7	110.5	106.4	113.1
Public administration	100.0	120.0	110.6	110.6	112.4	114.7
Education	100.0	105.9	110.1	109.3	131.5	146.9
Health	100.0	100.5	100.2	101.8	104.6	104.6
Domestic Services	100.0	99.2	103.7	106.6	107.4	109.4
Other Services	100.0	99.2	103.7	106.6	107.4	112.2
Less Fin. Int Services Indirectly Measured	100.0	121.1	123.1	150.2	153.6	164.6
GDP at factor cost	100.0	103.7	107.8	110.2	115.3	118.9
Net taxes on production	100.0	103.7	107.8	110.2	112.4	103.5
Other taxes on production	100.0	103.7	107.8	110.2	112.4	103.5
Other subsidies on production	0.0	0.0	0.0	0.0	0.0	0.0
GDP at basic prices	100.0	103.7	107.8	110.2	115.3	118.6
Net taxes on products	100.0	103.7	107.8	110.2	112.4	103.5
Taxes on products	100.0	104.9	107.8	110.2	112.4	103.5
Subsidies on products	0.0	0.0	0.0	0.0	0.0	0.0
GDP at Market Prices	100.0	103.7	107.8	110.2	114.9	116.4
Consumer Price Index all items	92.2	92.2	95.4	99.0	100.6	100.4
Consumer Price Index food items	90.4	90.4	94.0	98.4	100.0	96.9

Table 7.12 (a): Summary of External Trade (US\$ million)

Flow/Type/Year	2009	2010	2011	2012	2013	2014
Total Exports (fob)	2250	3245	3557	3882	3507	3064
Domestic Exports (fob)	2190	3204	3516	3838	3416	3009
Re-export (fob)	60	41	41	44	91	55
Imports (c.i.f)	6207	5865	8596	7463	7704	6380
Trade Balance	-3958	-2619	-5038	-3581	-4197	-3316
Total Trade	8457	9110	12153	11346	11211	9443
b. Annual Growth (%)						
Exports (fob)	84.8	44.3	9.6	9.1	-9.7	-12.6
Domestic Exports	89.6	46.3	9.7	9.1	-11.0	-11.9
Re-exports	-3.5	-31.3	-0.8	8.5	106.0	-40.1
Imports (cif)	191.2	-5.5	46.6	-13.2	3.2	-17.2
Trade Balance	332.7	-33.8	92.4	-28.9	17.2	-21.0
Total Trade	152.5	7.7	33.4	-6.6	-1.2	-15.8
c. Composition of Exports (%)						
Domestic Exports	97.3	98.7	98.9	98.9	97.4	98.2
Re-exports	2.7	1.3	1.1	1.1	2.6	1.8
Total Exports (fob)	100.0	100.0	100.0	100.0	100.0	100.0
d. Composition of Total Trade (%)						
Domestic Exports	25.9	35.2	28.9	33.8	30.5	31.9
Re-exports	0.7	0.5	0.3	0.4	0.8	0.6
Imports (cif)	73.4	64.4	70.7	65.8	68.7	67.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

Table 7.12 (b): Domestic Exports by Principal Commodity Group (SITC Section) US\$ million

Section	Description	2009	2010	2011	2012	2013	2014 Total	
	a. Value US\$ million							
0	Food and live animals	117	98	110	181	171	234	794
1	Beverages and tobacco	277	478	718	828	918	844	3786
2	Crude materials, (excl fuels)	963	1197	1481	1679	1133	562	6052
3	Mineral fuels, lubricants and related materials	34	46	29	38	33	14	160
4	Animal and vegetable oils, fats and waxes	0	3	1	4	2	0	11
5	Chemicals	18	21	23	18	21	16	98
6	Manufactured goods classified chiefly by material	123	392	334	378	545	723	2371
7	Machinery and transport equipment	56	33	37	48	45	41	204
8	Miscellaneous manufactured articles	480	603	429	39	45	43	1159
9	Commodities and transactions not classified elsewhere in the SITC	121	333	353	625	503	533	2348
	Total	2190	3204	3516	3838	3416	3009	16984
	Annual Change - Percent							
	Composition (%)							
0	Food and live animals	5.3	3.1	3.1	4.7	5.0	7.8	4.7
1	Beverages and tobacco	12.6	14.9	20.4	21.6	26.9	28.0	22.3
2	Crude materials, (excl fuels)	44.0	37.4	42.1	43.8	33.2	18.7	35.6
3	Mineral fuels, lubricants and related materials	1.6	1.4	0.8	1.0	1.0	0.5	0.9
4	Animal and vegetable oils, fats and waxes	0.0	0.1	0.0	0.1	0.1	0.0	0.1
5	Chemicals	0.8	0.6	0.7	0.5	0.6	0.5	0.6
6	Manufactured goods classified chiefly by material	5.6	12.2	9.5	9.8	15.9	24.0	14.0
7	Machinery and transport equipment	2.6	1.0	1.1	1.2	1.3	1.4	1.2
8	Miscellaneous manufactured articles	21.9	18.8	12.2	1.0	1.3	1.4	6.8
9	Commodities and transactions not classified elsewhere in the SITC	5.5	10.4	10.1	16.3	14.7	17.7	13.8
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 7.12 (c): Imports Classified by SITC Sections (cif) US\$ million

Section	Description	2009	2010	2011	2012	2013	2014 Total	
a. Value								
	Food and live animals	599	753	934	981	887	741	4296
1	Beverages and tobacco	104	158	144	204	117	111	733
2	Crude materials, (exc. fuels)	249	222	208	129	195	158	912
3	Mineral fuels, lubricants and related materials	401	939	1255	1514	1617	1566	6891
4	Animal and vegetable oils, fats and waxes	108	139	206	211	105	95	757
5	Chemicals	3188	666	2731	1106	1889	1103	7495
6	Manufactured goods classified chiefly by material	431	603	752	767	697	696	3515
7	Machinery and transport equipment	960	2048	2064	2129	1796	1490	9526
8	Miscellaneous manufactured articles	117	217	258	313	351	374	1513
9	Commodities and transactions not classified elsewhere in the SITC	51	120	44	112	50	46	371
	Total	6207	5865	8596	7463	7704	6380	36008
b. Percentages								
Composition (%)								
	Food and live animals	9.6	12.8	10.9	13.1	11.5	11.6	11.9
1	Beverages and tobacco	1.7	2.7	1.7	2.7	1.5	1.7	2.0
2	Crude materials, (exc. fuels)	4.0	3.8	2.4	1.7	2.5	2.5	2.5
3	Mineral fuels, lubricants and related materials	6.5	16.0	14.6	20.3	21.0	24.5	19.1
4	Animal and vegetable oils, fats and waxes	1.7	2.4	2.4	2.8	1.4	1.5	2.1
5	Chemicals	51.4	11.4	31.8	14.8	24.5	17.3	20.8
6	Manufactured goods classified chiefly by material	6.9	10.3	8.8	10.3	9.0	10.9	9.8
7	Machinery and transport equipment	15.5	34.9	24.0	28.5	23.3	23.3	26.5
8	Miscellaneous manufactured articles	1.9	3.7	3.0	4.2	4.6	5.9	4.2
9	Commodities and transactions not classified elsewhere in the SITC	0.8	2.0	0.5	1.5	0.6	0.7	1.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 7.13 : Imports Classified by Broad Economic Category (End Use) (cif) US\$ million

BEC \ Year	2009	2010	2011	2012	2013	2014
1: Food and beverages	632	861	993	913	642	576
11: Primary	158	260	231	168	73	41
111: Mainly for industry	99	195	164	106	23	5
112: Mainly for household consumption	58	65	66	61	50	36
121: Mainly for industry	133	178	186	137	114	138
122: Mainly for household consumption	341	422	576	608	455	397
2: Industrial supplies not elsewhere specified	1110	1422	3653	2718	2718	1767
21: Primary	216	213	268	487	223	207
22: Processed	894	1208	3385	1632	2494	1560
3: Fuels and lubricants	339	865	1171	1447	1116	1064
31: Primary	4	5	5	4	3	6
32: Processed	335	860	1166	1442	1113	1059
321: Motor spirit	285	802	1103	1397	1030	995
322: Other	50	58	62	45	83	64
4: Capital goods (except transport equipment), and parts and accessories thereof	555	992	1017	1054	1116	1005
41: Capital goods (except transport equipment)	399	719	739	764	837	759
42: Parts and accessories	156	273	278	290	279	245
5: Transport equipment and parts and accessories thereof	467	1170	1157	1205	804	638
51: Passenger motor cars	119	481	489	533	263	213
52: Other	265	559	529	522	407	300
521: Industrial	256	546	512	507	392	286
522: Non-industrial	9	13	17	15	15	15
53: Parts and accessories	84	130	139	151	134	124
6: Consumer goods not elsewhere specified	3006	388	504	575	586	565
61: Durable	24	44	62	54	48	39
62: Semi-durable	45	76	84	115	98	88
63: Non-durable	2938	268	357	406	440	438
7: Goods not elsewhere specified	98	167	101	150	722	765
Total	6207	5865	8596	7463	7704	6380

Table 7.14 Imports Classified by Broad Economic Category (End Use) - Percentage Distribution

BECA \ Year	2009	2010	2011	2012	2013	2014
1: Food and beverages	10.2	14.7	11.6	12.2	8.3	9.0
11: Primary	2.5	4.4	2.7	2.2	0.9	0.6
111: Mainly for industry	1.6	3.3	1.9	1.4	0.3	0.1
112: Mainly for household consumption	0.9	1.1	0.8	0.8	0.6	0.6
121: Mainly for industry	2.1	3.0	2.2	1.8	1.5	2.2
122: Mainly for household consumption	5.5	7.2	6.7	8.1	5.9	6.2
2: Industrial supplies not elsewhere specified	17.9	24.2	42.5	28.4	35.3	27.7
21: Primary	3.5	3.6	3.1	6.5	2.9	3.2
22: Processed	14.4	20.6	39.4	21.9	32.4	24.5
3: Fuels and lubricants	5.5	14.7	13.6	19.4	14.5	16.7
31: Primary	0.1	0.1	0.1	0.1	0.0	0.1
32: Processed	5.4	14.7	13.6	19.3	14.4	16.6
321: Motor spirit	4.6	13.7	12.8	18.7	13.4	15.6
322: Other	0.8	1.0	0.7	0.6	1.1	1.0
4: Capital goods (except transport equipment), and parts and accessories thereof	8.9	16.9	11.8	14.1	14.5	15.7
41: Capital goods (except transport equipment)	6.4	12.3	8.6	10.2	10.9	11.9
42: Parts and accessories	2.5	4.7	3.2	3.9	3.6	3.8
5: Transport equipment and parts and accessories thereof	7.5	19.9	13.5	16.2	10.4	10.0
51: Passenger motor cars	1.9	8.2	5.7	7.1	3.4	3.3
52: Other	4.3	9.5	6.2	7.0	5.3	4.7
521: Industrial	4.1	9.3	6.0	6.8	5.1	4.5
522: Non-industrial	0.1	0.2	0.2	0.2	0.2	0.2
53: Parts and accessories	1.3	2.2	1.6	2.0	1.7	1.9
6: Consumer goods not elsewhere specified	48.4	6.6	5.9	7.7	7.6	8.9
61: Durable	0.0	0.7	0.7	0.7	0.6	0.6
62: Semi-durable	0.7	1.3	1.0	1.5	1.3	1.4
63: Non-durable	47.3	4.6	4.2	5.4	5.7	6.9
7: Goods not elsewhere specified	1.6	2.8	1.2	2.0	9.4	12.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

Appendix I Sources and Methods

Background

The National Accounts estimates are produced by the Zimbabwe National Statistics Agency (ZIMSTAT), which is the main statistical agency of the country with a long tradition in compiling the estimates. The backbone of the present System of National Accounts was established in the nineteen eighties with the co-operation of the United Nations Development Programme (UNDP). The estimates are compiled according to the 1993 System of National Accounts (SNA) recommendations. ZIMSTAT is moving towards 2008 SNA implementation.

ZIMSTAT also adopted the Labour Input method in 2011 and Gross Domestic Product (GDP) series were revised backwards to 2009. One of the features of this new series is the adoption of a new base year for the valuation at constant prices, which has been changed from 1990 to 2009.

Another development of the National Accounts in the country is the implementation of a spreadsheet computerised system (SMAPC)¹ for the compilation of the National Accounts. This system, provided by Statistics Sweden, was designed to produce the estimates according to the 1993 System of National Accounts (SNA); the new ZIMSTAT estimates are presented in this format.

To date the estimates of National Accounts have been limited to the Production Account, the Generation of Income and the Income and Outlay accounts by institutional sector. GDP is compiled at current prices following the Production Approach, The Income Approach and the Expenditure on Final Use Approach. In fact, the estimate of Gross Domestic Product results from the Production Account, and no statistical discrepancy has been shown in the past between the three estimation methods. Furthermore, for the final use estimates, household consumption expenditure has been calculated as a residual except for the years when PICES estimates were used. Gross Operating Surplus is also calculated as a residual in the Income Approach. GDP at constant prices is estimated both for the Production and for the Expenditures on Final Use Approaches.

A. Sources and methods

1. Production Account at Current Prices.

The production account is compiled for fourteen industries according to the International Standard Industrial Classification adapted to the Zimbabwean economy. The statistical unit is the establishment, which is classified according to its main product. This allows for the inclusion of non-characteristic products in each industry, and also in cases where the production of the establishment corresponds to two or more activities belonging to different categories at the first level of the ISIC.

The main sources of data are economic censuses carried out yearly for, Manufacturing, Mining and Quarrying, Construction, and, Water and Electricity; annual surveys for Agriculture and services industries (used to determine cost structures); Central and Local Government accounts; sales taxes; and employment statistics on numbers of employees and earnings as well as annual reports of public enterprises.

Agriculture

The production account for the agriculture sector is prepared at current prices. The estimates are based on annual surveys of production carried out separately for commercial farms (large and small) and for communal lands and resettlement schemes, complemented with data from surveys and administrative data provided by the marketing boards.

In the past, the estimates were based on marketed production through the marketing boards, but since trade liberalisation and the consequent diversification of the marketing channels, this source of data has become less useful. Thus crop production of commercial and communal farms is used to calculate the output estimates/projections. A problem with the agriculture surveys and indeed most of the other annual economic production surveys is that the results become available with a delay of about two years.

Data on outputs and inputs for the commercial and communal farms are available separately for crops, livestock, forestry, fishing and hunting. In the calculation of livestock and crop production, the change in stocks component is calculated as the change in the quantity multiplied by the average price of the period of the

¹ *System of National Accounts on Personal Computers*

accounts, and therefore there are no elements of holding gains included in the estimates of output - *see* Section C.

Manufacturing

For manufacturing, the production account is based on the results of the annual Census of Industrial Production (CIP) carried out by mail supplemented by field visits. The CIP does not cover small establishments whether with employees or with self-employed persons only (Non-CIP establishments). Output includes all the production of the establishment (typical and non-typical) whether marketed or not, and among the latter it includes own account capital formation. The estimates for small enterprises are based on the earnings paid to the employees of these establishments based on the Quarterly Employment Inquiry (QEI). The ratios of value added, output and intermediate consumption to compensation of employees resulting from the census data are applied to the earnings paid by the small establishments in order to calculate the respective component of the production account. These estimates are made at the level of each industrial sub-group.

For the estimate of the self employed establishments, the per capita earnings of the census data are taken as a measure of the per capita mixed income (gross value added) of these enterprises, being the total equal to the product of the number of self-employed by the per capita income. Again, the output and input ratios to value added from the census are applied in order to estimate these components of the production account. It should be noted that the coverage adjustment of the census data for the small enterprises is almost negligible. The Informal Sector activities from the Poverty, Income, Consumption and Expenditure Survey (PICES) 2011/12 are used to estimate the contribution of the Informal Sector to GDP

An important methodological issue is that past estimates included holding gains since no adjustment to the reported data on changes in inventories was made when calculating the values of output and intermediate consumption in the past. For the revised series, appropriate adjustments (Section C) have been made to eliminate holding gains as far as possible.

Mining and quarrying

The same method as described under manufacturing is used through non-CIP establishments in this case are few and generally fall under stone quarrying.

Construction

Data for all the components of the production account is obtained from the annual Census of Industrial Production (CIP). The results of the census are adjusted for

coverage using the ratio of total earnings of the industry according to employment statistics to total earnings according to the Census. The same ratio is used to adjust output, intermediate consumption and value added.

Trade, restaurants and hotels

Separate estimates are made for retail and wholesale trade, and hotels and restaurants. In the case of retail trade, the trade margin (output) data on National Income Survey and company turnover data from the Zimbabwe Revenue Authority are used. Estimates are made separately for the corporate and unincorporated sectors, although the indicator used is the same (total retail trade turnover). The method and sources of data for the wholesale trade are the same as for the retail trade.

Real estate

This activity covers the real estate agencies and the rent of urban dwellings (rents and the imputation for owner occupied dwellings). The value of imputed rent for non-communal areas was obtained from the 2011/12 PICES. This figure was extrapolated using the ratio of earnings in real estate.

Rent of dwellings is estimated as a whole for both actual and imputed rent. The electricity connections of each year are used to estimate the additions to the stocks of dwellings by area categories. Average rents by area are taken from the data collected monthly for the construction of the Consumer Price Index (CPI). The change in the stocks of dwellings multiplied by the change in the average rents is used as the nominal index to extrapolate the value of output of the previous year.

The output of real estate agencies is calculated by extrapolating the rate of change of earnings as obtained from employment statistics.

Financial intermediaries

Separate estimates at current prices are made for financial intermediaries, insurance companies and pension funds. The economic accounts for these activities are prepared from annual returns sent to all individual enterprises in the financial sector, and for insurance and pension funds, data is taken from the consolidated reports of the Registrar of Insurance Companies.

For the financial intermediaries, besides the explicit service charges, an estimate of the imputed service charges (FISMA, according to the SNA 1993 terminology) is included, calculated as the difference between property income received and property income paid.

For insurance companies, a distinction is made between life insurance and other insurance i.e. non-life and life. The value of output for life insurance is calculated as premiums less claims plus property income received and less the increase in the reserves to the life funds. For non-life insurance, output is calculated as premiums less claims plus property income received less the value of technical reserves. Similarly, for pension funds, the estimate of output is taken only as the difference of contributions and benefits, less the value of technical reserves.

Transport and communication

The estimates for the public enterprises are based on the analysis of annual reports while the source of information for Central Mechanical Equipment Department (CMED) is the government accounts. The estimates for private transport undertakings such as corporate and unincorporated establishments are based on data collected through an annual questionnaire. Gross output and value added are estimated separately by boosting the questionnaire gross output and value added by the ratio of earnings from the employment survey. This is done separately for companies and unincorporated enterprises. Intermediate inputs derived as gross output less value added. The gross output and value added of public corporations such as Air Zimbabwe (AZ), National Railways of Zimbabwe (NRZ) and the Zimbabwe Posts (ZIMPOST) Private Limited Company are estimated from their annual reports.

Public administration

The components of the Production Account are estimated from the annual financial statements of Central Government and the Local Authorities. For both Central and Local Government, gross output is obtained as the total of goods and services less fees, sales and recoveries. The value added is obtained from the sum of salaries, wages and rent received. Intermediate input is the difference between gross output and value added. Public sector output on education and health are excluded from this activity – see below.

Education

The private sector component of this activity is estimated by extrapolating previous year estimates of output, intermediate consumption and value added by the rate of change in earnings obtained from employment statistics. The general government component of the activity is based on the government accounts. Output and intermediate inputs for education are calculated in the same way as in Public Administration.

Health

As for education, the private sector output is obtained through earnings while the general government sector estimates are based on the government accounts.

Domestic services

The output of domestic services is carried forward using the rate of change of earnings according to employment statistics and population census data.

Other services

Output for this sector is calculated separately for private services (corporate and unincorporated enterprises) and for public sector (general government and public enterprises) but no distinction is made by type of services. The private sector is estimated by carrying forward previous year estimates by the rate of change of earnings according to employment statistics. The public sector component is estimated from financial reports.

2. Production Account at Constant Prices.

As stated earlier, the revised series at constant prices have been rebased from 1990 to 2009 using various price and volume indicators. At constant prices, only value added is calculated. The general method applied, in the absence of appropriate price deflators, is to assume the input-output ratio of the base year fixed at constant prices, using the volume indicator of output as the single indicator to extrapolate value added of the base year. The estimates are made at different levels of disaggregation depending on the industry and for cases like agriculture, also at the level of products. Detailed description for some activities are given below:

Agriculture

Weighted volume index numbers are prepared for each crop and these volume index numbers are used to extrapolate the value added of crops of the base year. For livestock production, total value of slaughtering of cattle, goats, sheep and pigs from the commercial and communal production accounts are deflated using the commercial livestock price indices. The changes in livestock and the deflated milk production figures are then added to have total livestock production at constant prices. The other components of value added such as own capital formation, horticulture, forestry agricultural services (excluded from the old constant price estimates) are deflated by selected consumer price and producer price indices. The total value added of the industry is then obtained by the sum of value added for crops and livestock and other components of value added at constant prices.

Mining and quarrying

The value added of each mineral is extrapolated using the respective volume indices.

Manufacturing

The estimate at constant prices is obtained as the sum of value added at constant prices of all the sub-groups forming in this sector. Estimates of value added at constant prices for each sub-group are obtained by deflating the value added by the respective producer price index (PPI). In the past, volume indices were used to extrapolate base year value added.

Construction

Previously the value of output at constant prices is the single volume indicator used to extrapolate the value added of the base year. The indicator of output at constant prices is the value of construction works done (lower coverage than total output) deflated by a weighted index of the cost of construction. The deflator used is weighted index of the price index of average earnings in the construction industry and the building materials price index. Nowadays, the constant prices value added is derived by deflating directly the value added at current prices with the cost of construction index instead of deflating construction work done with the same index.

Finance and insurance

For financial institutions including life and non-life insurance, the indicator used is the total domestic credit of the monetary banking sector excluding that of the central bank. This is deflated by the non-food consumer price index (CPI). A volume index is calculated from the deflated figures of money supply and loans and advances. Value added for each category is extrapolated from the base year 2009. The 2009 value added of pension and provident funds is extrapolated with a volume index constructed from the total membership of pensions and provident funds. All these volume indicators are weighted using the value added of each respective category in 2009.

Distribution, hotels and restaurants

Separate volume indices are calculated for retail trade, wholesale trade and for hotels and restaurants. For the retail and wholesale trade the respective volume indices are derived by the deflation of total turnover by the CPI. The volume index for hotels and restaurants is taken as the change in the bed occupancy figures. These three volume indices are weighted by the value added shares of each sub-group in the last National Income Survey (NIS), to obtain a volume index for the total activity.

Transport and communication

Value added for NRZ and Air Zimbabwe are extrapolated using volume indices on railways net tonne kilometres hauled and Air Zimbabwe load tonne kilometres

flown, respectively. The private sector and CMIED value added are extrapolated with the number of vehicles registered by the Ministry of Transport and Infrastructure Development. A volume index constructed from deflated ZIMPOST revenue is used to extrapolate the value added for ZIMPOST. The ZIMPOST revenue is deflated using a communication component of the consumer price index. Data is also obtained from all tele-communication and Internet service providers in Zimbabwe.

Public administration

Value added is deflated by the earnings per head index in the respective industry, according to the employment statistics figures.

Education

Value added is deflated by the earnings per head index.

Health

The current year value added is deflated by the earnings per head index

Other services

The number of employees is used to extrapolate 2009 total value added.

Domestic services

The number of domestic workers is used to extrapolate the total value added in 2009.

3. Final Uses at Current Prices

Household's final consumption expenditure

This is calculated as a residual between GDP estimated by the production approach and the sum of all other final uses estimates. Thus, the household consumption expenditure estimate has included also the statistical discrepancy, which arises from the two different measures of GDP. The PICES estimates are the actual survey results not adjusted for reporting problems and other non-sampling errors.

Non profit institutions serving households

The consumption expenditure of these institutions is equal to the production for own consumption, which is taken from the production account for these institutions.

General government consumption expenditure

This is equal to the production for own consumption, taken from the production account of the general government (central and local) across all the activities (public administration, education and health). It consists of goods and services produced and wages and salaries paid less fees, sales and recoveries. For central government, goods and services are broken down by type of commodity.

Gross fixed capital formation

Gross fixed capital formation estimates are compiled by type of asset within each industry. The sources of data vary according to industry. Thus, for agriculture, mining, manufacturing, water and electricity and construction, data is based on the censuses carried out each year for these industries for the production statistics. Data on capital formation reported includes investment in own produced assets. Capital formation of government is obtained from government accounts. For all financial institutions data on investment is collected directly from the individual financial statements of these enterprises. For real estate, the value of investment in residential buildings reported by all sectors is classified in this industry. For the service industries, data for public enterprises and government is collected directly from their financial statements. And for the private sector, investment information is based on a survey, the "National Income Questionnaire", from which capital formation to value added ratios are derived and later on applied to total value added (excluding the public sector) of the respective industries in order to estimate total capital formation.

Changes in stocks

The estimates are made separately for oil products, tobacco, grains, livestock, trade, for each of the industries covered by the CIP, and others and government. The latter includes the inventories of the central and local government as well as the inventories of public enterprises in different industries. For the industries covered by CIP, opening and closing book values of stocks by type (finished products, work in progress and raw materials) are also included.

For oil products, tobacco, grains and livestock, data on values and quantities at the opening and closing dates for each year are available. The estimate of the value of the change in inventories is made at the level of the individual products by multiplying the change in quantity by the average price of the year.

For the stocks of the CIP industries, an attempt is made to eliminate holding gains. The closing stocks of each period are revalued at mid year prices using adjustment factors based on producer price indices (see Section C).

Export and import of goods and services

These are taken from the Balance of Payments prepared by the Reserve Bank of Zimbabwe and a summary of external transactions from these Balance of Payments figures is prepared by the Zimbabwe National Statistics Agency.

4. Final uses at constant prices

Household consumption expenditure

Total consumption expenditure is deflated by the consumer price index (CPI).

General government consumption expenditure

The central government goods and services are deflated at a disaggregated level using selected components of the consumer price indices, producer price indices and earnings per head indices while the wages and salaries component is deflated by the public administration earnings per head index. For local government, since there is no disaggregation of goods and services, the deflator used is the *all items* consumer price index. For wages and salaries, the same earnings per head index for public administration is used as the deflator. It should be noted that the methodology applied here is consistent with the treatment applied to the deflation of valued added in the production account.

Gross fixed capital formation

Definition of GFCF is by asset types within industry. Each type of asset within a given industry is deflated by a price index, thus machinery and equipment is deflated by a weighted average price index of locally produced and imported goods. The same procedure is applied to transport equipment. For investment in building and other construction works, the same deflator used for construction output is used for the deflation of these investments. It should be noted that the same deflator is used across all the industries.

Changes in stock

On commodities for which quantities are available, the estimate is made by multiplying the quantity change by the average price of the base year. For estimates based on opening and closing stocks book values, the adjustment factors (Section C) are used to deflate the current price changes in stocks. The adjustment factors being those in the base year 2009.

Export and import of goods and services

The unit value index of exports and imports of goods is used to deflate the corresponding values at current prices of exports and imports of goods and services.

B. Conclusion

The national accounts of Zimbabwe are compiled in line with the concepts and definitions recommended by the SNA manual. However, the changing economic environment has brought problems of the data sources, especially regarding coverage in areas like agriculture where deregulation through privatisation has resulted in the liberalisation of marketing systems.

The methods employed for the estimates of the production account by industries at current prices are well sound and only a few methodological improvements have been introduced. At constant prices however, there is room for more methodological changes. Although in the past, the GDP estimates were covering mostly for the formal sector and communal lands agriculture and domestic services, the new and revised estimates include the mixed incomes obtained from household enterprises based on household information captured in the 2011/12 PICES.

C. Recalculation of the value of change in inventories

The purpose of this technical note is to explain the procedure used to recalculate the value of change in inventories for the output and input of the CIP industries and for the distribution industry.

The procedure to eliminate the holding gains from the book value change in inventories explained herewith consists in the revaluation of the opening and closing stocks of the period of the accounts (the year) to the average prices of the period. The difference between the closing and opening stocks obtained from the revalued values gives a measure of the value of the physical change in inventories, which is the concept needed for the national accounts. In fact, the value of change in inventories should be measured as the sum of all transactions (additions and withdrawals) in inventories during the period of account, being each one valued at the prevalent market prices at the moment the transaction took place. The value of the physical change in inventories at average prices of the period assumes that the transactions during the period (between the opening and closing dates) are distributed evenly.

Let us define:

- S_o : value of the stocks at the opening date of the period
- S_f : value of the stocks at the closing date of the period
- P_o : price of the stocks at the opening date of the period
- P_f : price of the stocks at the closing date of the period
- P_{avg} : average price of the stocks during the period

- Q_o : quantity held in stocks at the opening date
- Q_f : quantity held in stocks at the closing date

Then, the values of the stocks can be expressed as the product of the quantities by prices:

$$S_o = Q_o \times P_o; \quad S_f = Q_f \times P_f$$

Now, if the values of the stocks were multiplied by the ratio between the average price of the stocks during the period to the price of the stocks at the date to which they refer, we would have:

$$S_o \times \frac{P_{avg}}{P_o} = \frac{Q_o \times P_o \times P_{avg}}{P_o} = Q_o \times P_{avg}$$

$$S_f \times \frac{P_{avg}}{P_f} = \frac{Q_f \times P_f \times P_{avg}}{P_f} = Q_f \times P_{avg}$$

$S_{o,adj}$, and $S_{f,adj}$, are the adjusted (revalued) values of the stocks at average prices of the period for the opening and closing stocks, respectively. The ratios $\frac{P_{avg}}{P_o}$ and $\frac{P_{avg}}{P_f}$ are the adjustment factors for the opening and closing stocks, respectively.

The difference between the adjusted value is the value of the physical change in inventories:

$$(a) \quad S_{f,adj} - S_{o,adj} = Q_f \times P_{avg} - Q_o \times P_{avg} = P_{avg} (Q_f - Q_o)$$

or

$$(b) \quad S_{f,adj} - S_{o,adj} = S_f \frac{P_{avg}}{P_f} - S_o \frac{P_{avg}}{P_o}$$

Expression (a) is used for revaluing quantifiable stocks such as crops and livestock while expression (b) is used where stocks are given in value terms.

Appendix II Concepts, Terms and Definitions

National Accounts

National accounts portray the essential phenomena which constitute economic life: *production, income, consumption, accumulation and wealth*, in a format that is designed for purposes of analysis, decision taking and policy making. The accounts of Zimbabwe do not as yet include data on wealth.

A series of economic accounts will describe economic change provided concepts and definitions are consistent over time. A set of national accounts for the same period for a number of countries will enable comparisons of those countries provided concepts and definitions are consistent between countries. The purpose of an internationally agreed system of national accounts is primarily to allow international comparison. Equally important it provides a system which individual countries can adopt, confident that it will, with the minimum of modification, meet their national purposes including consistency over time. The Zimbabwe national accounts are based on the United Nations System of National Accounts (UN-SNA), a framework for preparing a statistical report on a country's economic activity.

Gross Domestic Product

The Gross Domestic Product (GDP) is the value of goods and services produced within an economy over an accounting period, typically a year or a quarter.

GDP can be calculated using the production, income and expenditure approaches. All the three approaches should in principle give the same result as they form an identity. In Zimbabwe, the gross domestic product is mainly estimated using the production approach. Total GDP is the sum of the value added of various industrial sectors of the economy. Value added of a sector is the value of all goods and services produced (output) less the value of raw materials, and other goods and services consumed during the production process (intermediate consumption). Gross Domestic Product at market prices is obtained as follows:

Total value added of all industries at factor cost is:

GDP at *factor cost*

+ Net other taxes on *production* (i.e. taxes – subsidies)

= **GDP at basic prices**

+ Net taxes on *producers* (i.e. taxes – subsidies)

= **GDP at market prices**

GDP at basic prices is output valued at producers' prices less intermediate consumption valued at purchasers' prices. The resultant value added is described by the prices used to value the output. For Zimbabwe, value added is measured *gross* since it includes the consumption of fixed capital (see below).

In the accounts, GDP at basic and market prices are given as global aggregates since it is not possible to separate taxes and imputed bank service charges by sector due to data limitations.

Gross Domestic Product is also measured by the income approach. This approach sums up the incomes generated by resident institutional units in the process of production. GDP using this approach is thus the sum of compensation of employees, all taxes net of subsidies linked to production and imports and the balancing item, gross operating surplus. Alternatively this approach sums up the net income (receipts minus payments) allocated to or received by resident institutional units. It sums up the components operating surplus, compensation of employees, taxes on production and imports (net) and property income (interest, distributed income of corporations i.e. interests, dividends, withdrawals from income of quasi-corporations, reinvested earnings on direct foreign investment, and rent). This approach yields Gross National Income (GNI) as some of the incomes received net would be from non-resident institutions i.e. the rest of the world. Using the income approach, GDI and GNI are found as:

Compensation of employees

+ Gross operating surplus including mixed income

= **Gross Domestic Income at factor cost**

+ Net other taxes on production

= **GDI at basic prices**

+ Net taxes on products

= **GDI at market prices**

+ Net Primary Income from abroad

= **Gross National Income (GNI).**

In the Zimbabwe accounts, property rent is separated from the operating surplus. The calculation of gross domestic product using the income approach is done at both the aggregate and industrial level.

Expenditure on Gross Domestic Product

The third way to compute GDP is through the expenditure approach, as the sum of final uses of goods and services, measured at purchasers' prices, minus imports of goods and services. Therefore, the result of the production activities of resident producer units is also equal to the sum of the final uses of goods and services (all uses except intermediate consumption) measured at producers' prices less the value of the imports of goods and services.

That is, GDP (at market prices) can be decomposed in the following way:

$$\begin{aligned} & \text{Final consumption expenditure (C)} \\ & + \text{Gross capital formation (G)} \\ & = \text{Gross Domestic Expenditure} \\ & + \text{Net exports of goods and services (X-M)} \\ & = \text{GDP at market prices} \end{aligned}$$

C: Final consumption expenditure by households, non-profit institutions serving households and government;

G: Fixed capital formation plus changes in inventories or stocks;

X – M: Exports less imports of goods and services.

Final consumption expenditure by households consists of expenditure, including imputed expenditure, incurred by resident households on individual consumption of goods and services, including those sold at prices that are not economically significant.

Final consumption expenditure by non-profit institutions serving households consists of actual and imputed expenditures incurred by resident non-profit institutions serving households (NPISH).

Government final consumption expenditure consists of actual and imputed expenditures on a wide range of consumption goods and services incurred by government on both individual consumption goods and services and collective consumption services less any fees, sales and recoveries.

Gross capital formation is the total value of the gross fixed capital formation, changes in inventories and acquisition less disposals of valuables. It is the sum of gross fixed capital formation and changes in inventories (stocks).

Gross fixed capital formation is the total value of a producer's acquisitions, less disposals, of fixed assets during an accounting period plus certain additions to the value of non-produced assets realised by the productive activity of institutional units.

A change in inventories is equal to the value of inventories acquired less the value of inventories disposed of during the accounting period. In the accounts, changes in inventories relate to finished goods including work in progress as well as materials and supplies acquired for the production of goods and services.

Exports/imports of goods and services are all transactions involving a change of ownership of goods and services between residents of a country and the rest of the world. Goods relate to merchandise trade while services include a variety of activities such as transportation, insurance, fees, financial services, consultancies, etc.

Consumption of fixed capital is the decline, between the beginning and end of the accounting period, in value of the fixed assets owned by an enterprise, as a result of their physical deterioration and normal rates of obsolescence and accidental damage.

Operating surplus/mixed income is a measure of the surplus accruing from processes of production and in the accounts, it is the balancing item defined as:

$$\begin{aligned} & \text{Value added} \\ & - \text{Compensation of employees} \\ & - \text{Taxes on products} \\ & + \text{Subsidies on products} \end{aligned}$$

Also in the accounts, the figures are on a gross basis since they include consumption of fixed capital. The term mixed income refers specifically to the operating surplus of unincorporated enterprises owned by households.

Net primary income from abroad is the sum of net compensation of employees (with less than one year of residence in the host country) and the net property and entrepreneurial income components of the system of national accounts. The major components of the latter are investment income and interest on short and long

term capital. The term net means receivables less payables to the rest of the world.

Gross national income (GNI) is the sum of the incomes accruing to resident institutional units as a result of their engagement in production activities or ownership of assets. It includes income received minus income paid abroad.

Net current transfers from abroad are payments receivable minus those payable to the rest of the world not relating to the payments for goods and services or primary income. The payments are of unrequited nature pensions, taxes, subscriptions, gifts etc.

Gross national disposable income (GNDI) is the sum of GNI and net current transfers from abroad. Generally it is the income available to the economy (generated domestically and abroad) for consumption and savings/investment.

Gross domestic savings is equal to GNDI less final consumption of households, private non-profit institutions serving households and general government.