



THE REPUBLIC OF THE GAMBIA



GAMBIA BUREAU OF STATISTICS

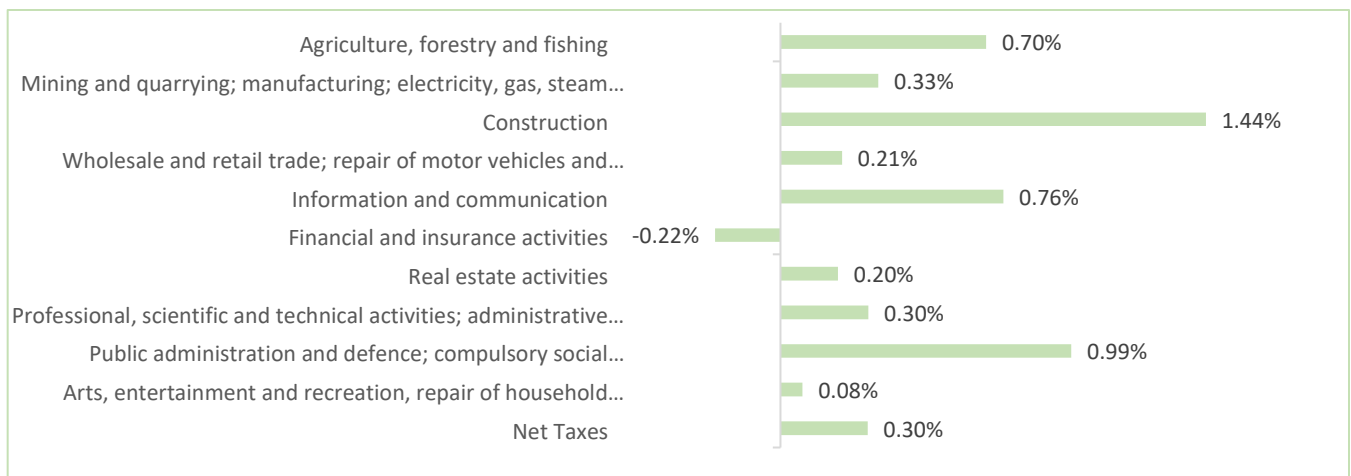
# Quarterly Gross Domestic Product

## Fourth Quarter, 2023

**July 2024:** Quarterly Gross Domestic Product (QGDP) in the fourth quarter of 2023 in volume terms has increased by 5.1 % compared with the fourth quarter of 2022.

The main contribution to this increase is driven by economic activities such as *Agriculture, forestry, and fishing* by +0.70 percentage points, *mining, and quarrying; manufacturing; electricity, gas, and steam* by +0.33 percentage points, Construction activity by +1.44 percentage point, *wholesale and retail; repair of motor vehicles* by +0.21, *Information and communication* by +0.76 percentage points, *real estate activities* by +0.20 percentage points, Professional, scientific and technical activities; administrative and support service activities by +0.30 percentage points, public administration, and defense; compulsory social security; education; human health and social work activities by +0.99 percentage point and Arts, entertainment and recreation, repair of household good and other services by +0.08 percentage point. *Net taxes* on products contributed positively by +0.30 percentage points. Finance and insurance activities declined by -0.22 percentage points.

Fig 1 Contribution of the main economic activities to the real growth rate of GDP (Q4\_2023 / Q4\_2022)



**Quarterly Gross Domestic Product real growth rates by main economic activities for the fourth quarter of 2023 compared with the fourth quarter of 2022 appeared as follows:**

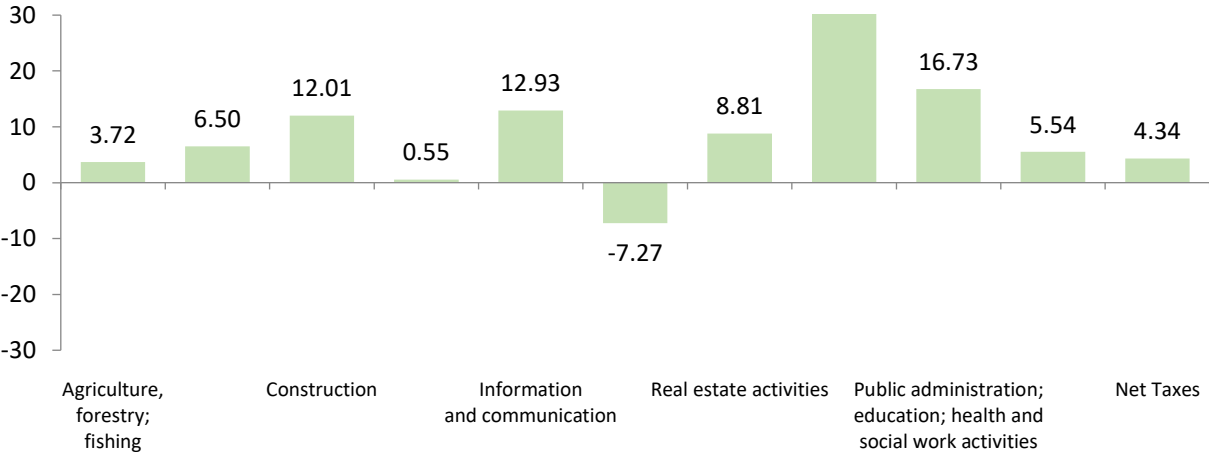
The result of the fourth quarter shows an increase in Agriculture, Forestry and Fishing activity by 3.72 % and a decline in Finance and insurance activities by 7.27 %. The group of Industry, Mining, Manufacturing, Electricity, and Water, increased by 6.50%, where the Electricity and Water supply appeared to increase by 19.13 % and 40.81 % respectively. Manufacturing registered a decline of 21.8 % and Information and communication services increased by 12.93 %.

The group of Wholesale and retail trade, Accommodation and Food Service, and Transport increased by 0.55 % although the accommodation sector increased by 5.64%.

Information and Communication industry increased by 12.93% and Financial and insurance activities declined by 7.27%. Real estate activity increased by 8.81 %. The group of Professional services and administrative services increased by 37.35 %.

The group of Public Administration, Education, and Health increased by 16.73 %. However, Education decreased by 1.48% whereas Health and social work activities increased by 39.37%. The group of Arts, entertainment, and recreation services, and repair of household goods and other services increased by 5.54 %. Net Taxes on products increased by 4.34 %.

**FIG 2. CHANGES TO THE SAME QUARTER OF 2022 FOR THE MAIN ECONOMIC ACTIVITIES, (Q4\_2023/ Q4\_2022) IN %**



**METHODOLOGY**

The compilation of Quarterly GDP estimates at current and constant prices follows the 2017 *IMF Quarterly National Accounts Manual* and the System of National Accounts 2008 (2008 SNA). The QGDP is consistent with the annual GDP as they are based on the same concept and methodology. The main objective of the QGDP is to provide detailed information about the economy to policymakers for planning, policy formulation decision-making, and monitoring the economy.

The estimates in this publication are based on data available until December 2023. The main data sources that are used to estimate QGDP are general administrative data. The series is subject to revisions in the future as additional or improved information becomes available.

The publication includes estimates of quarterly GDP by the production approach (QGDP-P) at current and constant prices, non-seasonally series. In addition to QGDP-P, GBoS is further working to develop the quarterly GDP by the expenditures approach as well as to produce the seasonally adjusted series for both approaches.

The indirect method is used mostly for the compilation of QGDP-P. The indirect method implies the estimate of quarterly value added based on the selected quarterly indicators by application of mathematical methods and statistical techniques. This method is based on the assumption that the proportion between the value added, and output is constant within the period of estimation.

The direct method consists of the estimates of output and intermediate consumption separately, and the calculation of value added as a difference. This method is used for some economic activities such as Public Administration, Education, Health, and Financial Activities, for which quarterly data are available for compiling both output and intermediate consumption quarterly.

The classification used in the National Accounts is the International Standard Industrial Classification of All Economic Activities REV.4 (ISIC Rev.4).

#### **DATA SOURCES**

Various statistical and administrative sources are used for the estimation of quarterly GDP by production approach. Data could be statistical products of GBoS or administrative data from different national institutions such as the Ministry of Finance and Economic Affairs, Ministry of Agriculture, General Revenues Authority, Central Bank of Gambia, Department of Geology, NAWEC, etc.

The statistical and administrative sources include data gathered from various surveys such as the Price Statistics Survey, as well as data collected by other institutions for various purposes, such as: Value added tax (VAT); Monetary financial statistics; Balance of Payments; Government fiscal statistics; External trade statistics; Data on electricity and water supply, Data on agriculture and fishing; etc.

#### **SEQUENCE OF COMPILATION**

The quarterly GDP is compiled using the following steps:

1. Constructing the quarterly indicators at current and constant prices from different sources for the appropriate recent periods;
2. Development of time series for quarterly data at current and constant prices to ensure data comparability and consistency over time;
3. Benchmarking the non-seasonally adjusted series to the relevant annual series;

#### **VOLUME ESTIMATES**

The volume measures of the quarterly time series are expressed in average prices of the fixed base year (base year 2013) to ensure better consistency with the Annual estimates.

## **BENCHMARKING**

Benchmarking aims to ensure the consistency between Quarterly and Annual National Accounts. The consistency between annual and quarterly data is applied to both current and constant price data, where the constant price data are expressed in prices of the base year (2013=100).

The quarterly indicators are benchmarked with the annual data using XLPBM<sup>1</sup> to produce the quarterly gross value added (GVA) estimates. The discrepancies between estimated quarterly data and annual data are minimized during the benchmarking process. The result is the achievement of consistency of quarterly and annual data, that is, the sum of quarterly data is equal to annual data in every year.

## **PUBLICATION TIMETABLE AND DISSEMINATION POLICY**

Regular estimates of quarterly GDP will be published approximately 90 days after the end of the reference quarter. GBoS would like to further shorten the timeliness of QGDP publication in the near future to meet the latest data transmission requirements. Press releases include figures of QGDP, for the main economic activities for the last quarter estimated, information about possible revisions, and a brief analysis of the current development of the economy. The press release, the quarterly publication, and updated figures are available on the day of publication at the GBoS website <https://www.gbosdata.org/downloads>.

The following quarterly tables of non-seasonally adjusted QGDP series are published for the reference quarter:

- Quarterly Gross Domestic Product, Current Prices;
- Quarterly Gross Domestic Product, Constant Prices, at 2013 base year prices (2013=100);
- Quarterly Gross Domestic Product, Real Growth Rates, comparison with the corresponding quarter of the previous year.

## **REVISION POLICIES**

The published quarterly GDP estimates in Gambia will be subject to two types of revisions, routine and major revisions.

Routine revisions:

These revisions are related with quarterly and annual data changes. Revisions to the previously published series may be made in the last quarter. The frequency and cause of these revisions are as follows:

### *Quarterly revisions*

The first revision of QGDP estimates is in quarterly basis during the last quarter of the year as additional data become available at the end of the year for all the quarters. They will have their impact on the previous quarters as the data reported for the last quarter are accompanied by additional source data or improvements/corrections to the data for previous quarters.

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<sup>1</sup> An Excel function to apply the Denton Proportional Benchmarking Method with Enhancement for Extrapolation. This excel function called XLPBM was developed within the Real Sector Division of the IMF's Statistics Department.

*Annual revisions*

The second revision is when annual GDP estimates are compiled and/or revised. Quarterly data are benchmarked to the annual GDP estimates, and revisions to annual data will impact the quarterly series. There are two estimates of the annual GDP for a given year "t", provisional and final estimates. Changes that happen during these two annual estimates will directly impact the quarterly GDP series due to benchmarking.

Major revisions:

Major revisions are referred to the rebasing of GDP due to incorporation of new statistical and administrative data sources; improvement of national accounts compilation methods; changes in definitions, methods, and classifications in international level, introduced by new System of National Accounts.

**DEFINITIONS**

**Gross Domestic Product (GDP):** Gross Domestic Product at market prices, is the final result of production activity of productive resident units during a year. It is calculated in three approaches: by production, by expenditures and by income approach.

**GDP according to production approach** is equal to sum of gross added values relevant to different kinds of activities, adding taxes and subtracting subsidies on products (not distributed to sectors or branches of a certain activity);

**Output:** production of goods and services by an establishment, excluding the value of any goods and services used in an activity for which the establishment does not assume the risk of using the products in production, and excluding the value consumed by the same establishment except for goods and services used for capital formation or own final consumption. There are three types of output such as: market output; output produced for own final use; non-market output.

**Intermediate consumption:** Intermediate consumption consists of goods and services consumed as inputs by a process of production, excluding fixed assets whose consumption is recorded as consumption of fixed capital. The goods and services are either transformed or used up by the production services.

**Gross Value Added:** Gross Value Added represents the contribution of different activities in GDP and is calculated as the difference between the output and intermediate consumption.

**Nominal GDP:** measures the current market value of a country's gross domestic product.

**Real GDP:** measures the volume level of a gross domestic product after changes in prices have been taken into account. It is obtained by expressing values in terms of a base period or previous period prices.

**Taxes on products:** Taxes on products are paid taxes per unit of some goods and services like the Value Added Tax, excise, and customs tax on imports.

**Subsidies on products:** Subsidies on products are non-reverse payments made by public administration units to the companies in the form of a certain amount of money per unit of goods or services. Subsidies on imports consist of subsidies of goods or services payable when the product

surpasses the border of economic territory or if the services were made to resident institutional units.

**Financial intermediation services indirectly measured (FISIM):** is an indirect measure of the value of financial intermediation services provided but for which financial institutions do not charge explicitly.

**Basic prices:** is the price receivable by the producer from the purchaser for a unit of a good or service produced as output, minus any tax payable and any subsidy receivable on the product. It excludes any transport charges invoiced separately by the producer.

**Market prices:** is the price after adding taxes and deducting subsidies on products.

**Current prices:** The prevailing market price paid of goods and services.

**Constant prices:** Estimation in constant prices represents the estimation in real terms, deflated with prices of a base year or of the previous year.

**GDP deflator:** The GDP deflator is calculated as GDP at current prices divided by GDP at constant prices.

**Base year/Benchmark year:** Is the reference year against which data for subsequent periods are measured.

**Rebasing:** The process of changing the benchmark or reference year from one period to another in measuring production of economic activities of a country.