



News Brief

New Series of the Gross Domestic Product (GDP) Estimates



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November 3, 2010

Highlights of the Rebased Series of the GDP - formal press release on November 5, 2010

INTRODUCTION

The Ghana Statistical Service has completed its work on the rebasing of the national accounts estimates. Rebasing of national accounts series means replacing the old base year used for compiling the constant price estimates to a new and more recent base year. In principle, a change of base year in the national accounts implies (a) changing the price and quantity base for the individual price and quantity relatives, and (b) updating the weights used in aggregating the individual quantity relatives into sub-indices. At the same time, it serves to reconcile the different estimates of gross domestic product (GDP) and provides the occasion for methodological and conceptual reviews and improvements.

CHANGES IN THE REBASED SERIES

The improvements and changes carried out in this rebasing exercise can be summarised as follows:

- a) Base year changed from 1993 to 2006
- b) Compilation methodology improved by using the 1993 Systems of National Accounts (SNA) instead of the 1968 edition
- c) Improvements and revisions of data sources
- d) Updating of classification by adapting the latest version of the International Standard Industrial Classification (ISIC) revision 4.

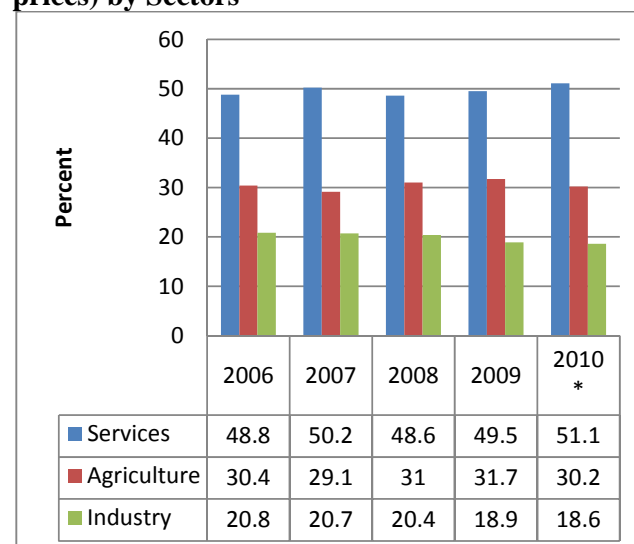
The above measures have led to changes in the size of the GDP, growth rates, sectoral contributions and all related indicators that use the GDP. The most

significant features of the rebased series are a 60.3% increase in the size of the GDP in the base year 2006, and the Services sector being the largest contributor to the GDP. Details of the estimates in the new series can be found in appendix 1-3.

SECTORAL DISTRIBUTION

The Services sector has consistently been the largest sector from 2006 and 2010, with about 50% share of GDP at basic prices¹. The Agriculture sector is the second largest contributor, while the Industry sector still remains the least contributor to GDP (Fig 1).

Fig 1: Percentage Distribution of GDP (at basic prices) by Sectors



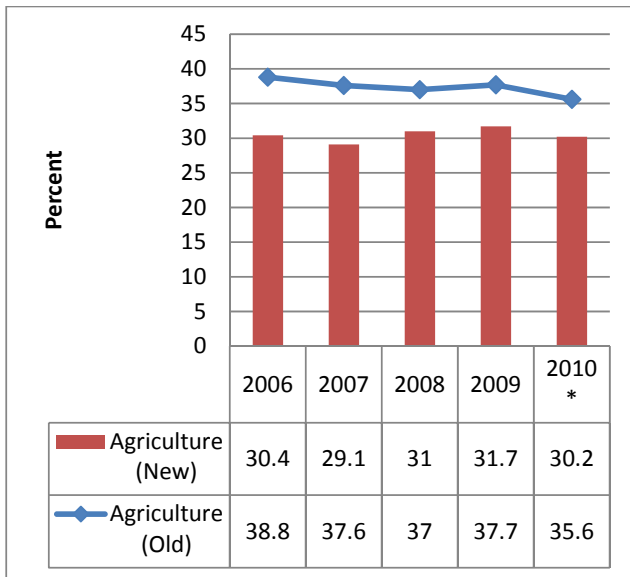
**Provisional*

¹ GDP valued at prices that include subsidies but exclude indirect taxes and taxes on international trade

Agriculture

There has been some changes in the classification of activities in the new series. Livestock has been separated from crops and cocoa marketing from cocoa production. Comparison of the old series (1993 base year) and the new series (2006 base year) shows that, though the proportion of total GDP are different, the trend from 2006 to 2010 is similar (Fig 2). The proportion of Agriculture GDP for the new series is lower than that of the old series.

Fig 2: Comparison of Proportion of Agriculture in GDP between the old and new series

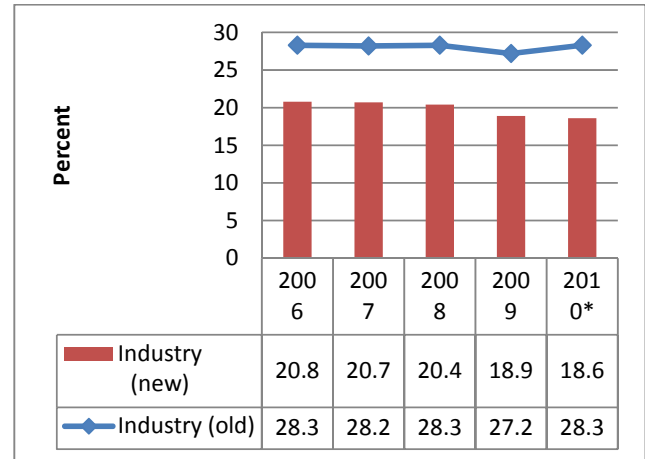


*Provisional

Industry

The only change in the classification of activities under the Industry sector can be found in the Electricity and Water subsector, where the two activities have been separated. The sector is the lowest contributor to GDP. Like the Agriculture sector, proportion of Industry GDP is lower for the new series (Fig 3).

Fig 3: Comparison of Proportion of Agriculture in GDP between the old and new series

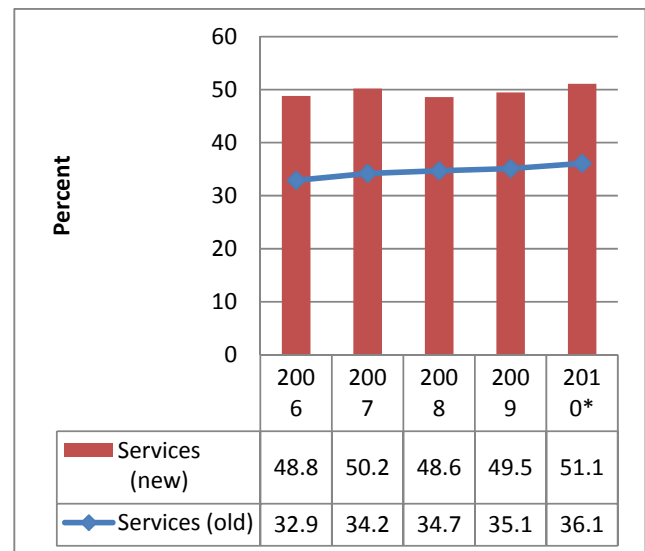


Services

There has been a complete reorganisation of the subsectors under this sector due to the adoption of ISIC revision 4. The number of subsectors has been increased from six in the old series to eleven in the new series.

The sector has the largest proportion in the new series, accounting for about 50% of GDP.

Fig 4: Comparison of Proportion of Industry in GDP between the old and new series



Appendix 1: Gross Domestic Product at 2006 Constant Prices (in millions of Ghana Cedis)

ACTIVITY	2006	2007	2008	2009	2010*
1. AGRICULTURE	5,415.0	5,322.0	5,716.1	6,148.1	6,445.2
1.1 Crops	3,793.7	3,742.6	4,064.5	4,479.4	4,703.4
<i>of which Cocoa</i>	537.2	493.2	509.1	534.5	559.1
1.2 Livestock	437.1	457.8	481.1	502.2	525.5
1.3 Forestry and Logging	736.0	705.9	682.4	706.3	733.2
1.4 Fishing	448.3	415.8	488.0	460.2	483.2
2. INDUSTRY	3,704.3	3,929.6	4,521.9	4,724.7	5,008.5
2.1 Mining and Quarrying	497.4	531.6	544.4	581.2	646.3
2.2 Manufacturing	1,823.5	1,801.3	1,868.0	1,843.6	1,882.3
2.3 Electricity	142.7	118.2	141.1	151.7	177.0
2.4 Water and Sewerage	224.4	227.0	228.9	246.4	250.8
2.5 Construction	1,016.3	1,251.6	1,739.5	1,901.9	2,052.1
3. SERVICES	8,690.4	9,358.3	10,106.0	10,791.3	11,680.1
3.1 Trade; Repair of Vehicles, Household Goods	1,140.7	1,202.6	1,316.9	1,347.1	1,470.1
3.2 Hotels and Restaurants	894.1	916.6	999.8	1,061.0	1,180.9
3.3 Transport and Storage	2,357.2	2,573.4	2,671.9	2,790.1	2,926.9
3.4 Information and communication	483.0	502.8	600.9	690.4	825.8
3.5 Banking and Insurance	472.9	559.8	620.1	677.9	768.1
3.6 Real estate services	391.4	400.8	410.4	420.3	430.3
3.7 Business and other service activities	522.5	542.7	532.8	524.5	575.4
3.8 Public Administration & Defence; Social Security	862.1	959.6	1,081.8	1,208.2	1,300.6
3.9 Education	655.0	720.5	814.3	914.9	979.9
3.10 Health And Social Work	249.8	259.3	270.8	311.8	337.4
3.11 Other Community, Social & Personal	661.6	720.3	786.3	845.1	884.8
Gross Domestic Product at basic prices	17,809.7	18,609.9	20,343.9	21,664.1	23,133.9
Net Indirect Taxes	895.4	1,303.4	1,248.3	933.8	960.0
Gross Domestic Product in Purchasers'	18,705.1	19,913.4	21,592.2	22,597.9	24,093.9
* Provisional					

Appendix 2: Gross Domestic Product in Current Prices (in millions of Ghana Cedis)

ACTIVITY	2006	2007	2008	2009	2010**
1. AGRICULTURE	5,415.0	6,319.8	8,875.0	11,379.1	13,036.7
1.1 Crops	3,793.7	4,408.8	6,435.0	8,425.3	9,421.5
o.w Cocoa	537.2	580.9	706.4	873.8	1,149.8
1.2 Livestock	437.1	501.0	606.5	729.1	873.1
1.3 Forestry and Logging	736.0	910.2	1,071.5	1,350.3	1,706.6
1.4 Fishing	448.3	499.8	762.0	874.4	1,035.5
2. INDUSTRY	3,704.3	4,513.5	5,854.5	6,775.7	8,042.5
2.1 Mining and Quarrying	497.4	601.6	693.2	740.0	822.9
2.2 Manufacturing	1,823.5	1,990.5	2,276.7	2,478.4	2,791.1
2.3 Electricity	142.7	130.0	155.2	166.9	276.4
2.4 Water and Sewerage	224.4	227.0	228.9	246.4	250.8
2.5 Construction	1,016.3	1,564.5	2,500.5	3,144.0	3,901.2
3. SERVICES	8,690.4	10,921.6	13,934.6	17,777.1	22,068.5
3.1 Trade; Repair Of Vehicles, Household Goods	1,140.7	1,334.9	1,710.3	2,046.9	2,524.2
3.2 Hotels and Restaurants	894.1	1,209.9	1,715.6	2,421.4	3,099.3
3.3 Transport and Storage	2,357.2	2,848.8	3,262.5	3,757.7	4,445.6
3.4 Information and communication	483.0	511.4	621.5	726.2	883.4
3.5 Financial Intermediation	472.9	738.9	1,088.7	1,547.2	2,173.8
3.6 Real estate services	391.4	415.2	493.2	665.2	796.9
3.7 Business and other service activities	522.5	602.4	691.9	797.0	1,023.0
3.8 Public Administration & Defence; Social	862.1	1,289.4	1,799.0	2,478.7	2,935.1
3.9 Education	655.0	855.9	1,131.8	1,505.6	1,909.4
3.10 Health And Social Work	249.8	308.0	380.9	513.2	649.7
3.11 Other Community, Social & Personal Service Activities	661.6	806.8	1,039.2	1,317.8	1,628.1
Gross Domestic Product at basic prices	17,809.7	21,754.9	28,664.1	35,931.9	43,147.7
Net Indirect Taxes	895.4	1,399.6	1,514.5	935.6	1,651.0
Gross Domestic Product in Purchasers' Value	18,705.1	23,154.4	30,178.6	36,867.4	44,798.7
* Provisional					

Appendix 3: Growth rates in real Gross Domestic Product

ACTIVITY	2007	2008	2009	2010*
1. AGRICULTURE	-1.7	7.4	7.6	4.8
1.1 Crops	-1.3	8.6	10.2	5.0
<i>of which Cocoa</i>	-8.2	3.2	5.0	4.6
1.2 Livestock	4.7	5.1	4.4	4.7
1.3 Forestry and Logging	-4.1	-3.3	3.5	3.8
1.4 Fishing	-7.2	17.4	-5.7	5.0
2. INDUSTRY	6.1	15.1	4.5	6.0
2.1 Mining and Quarrying	6.9	2.4	6.8	11.2
2.2 Manufacturing	-1.2	3.7	-1.3	2.1
2.3 Electricity	-17.2	19.4	7.5	16.7
2.4 Water and sewerage	1.2	0.8	7.7	1.8
2.5 Construction	23.1	39.0	9.3	7.9
3. SERVICES	7.7	8.0	6.8	8.2
3.1 Trade; Repair Of Vehicles, Household Goods	5.4	9.5	2.3	9.1
3.2 Hotels and Restaurants	2.5	9.1	6.1	11.3
3.3 Transport & Storage	9.2	3.8	4.4	4.9
3.4 Information and communication	4.1	19.5	14.9	19.6
3.5 Financial Intermediation	18.4	10.8	9.3	13.3
3.6 Real estate services	2.4	2.4	2.4	2.4
3.7 Business and other service activities	3.9	-1.8	-1.6	9.7
3.8 Public Administration & Defence; Social Security	11.3	12.7	11.7	7.6
3.9 Education	10.0	13.0	12.4	7.1
3.10 Health and Social Work	3.8	4.4	15.2	8.2
3.11 Other Community, Social & Personal Service Activities	8.9	9.2	7.5	4.7
Gross Domestic Product in Purchasers' Value	6.5	8.4	4.7	6.6

*Provisional