



# 2019

GROSS DOMESTIC  
PRODUCT

2012–2019

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Central Department of Statistics  
Ministry of Planning and National  
Development

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## **P r e f a c e**

Central Department of Statistics presents the preliminary Gross Domestic Product data for the period 2012 – 2019, compiled by the expenditure approach in current and constant 2017 prices, i.e. 2017 is the base year for estimation of real GDP.

The national accounts data are used for economic and fiscal planning and for elaboration of development programmers for various sectors of the economy. Results from the national accounts are also used by foreign and domestic investors to evaluate the economic situation of the country and the opportunity for new investments.

Department of Statistics in Ministry of Planning and National Development will continue to develop the production of national accounts which follows the international recommendations and will strive to publish figures of high quality in timely manner.

Many thanks go to:

1. Muna Abdi, Director of Somaliland Central Statistics Department, MP&ND.
2. Ahmed Ibrahim Ahmed, Head of National Account Unit.
3. Jan Redeby, Senior Consultant of National Account.

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## List of Acronyms

BEC	Broad Economic Indicators
CIF	Cost of Freight and Insurance
FOB	Free-On-Board
GDP	Gross Domestic Product
HFS	High Frequency Survey
PESS	Population Estimation Survey for Somalia
SLS	Somaliland Shillings
USD	United States Dollar
SNA	System of National Account
ISIC	International Standards of Industrial Classification
COICOP	Classification of Individual Consumption According to Purpose

## 1. GDP 2019

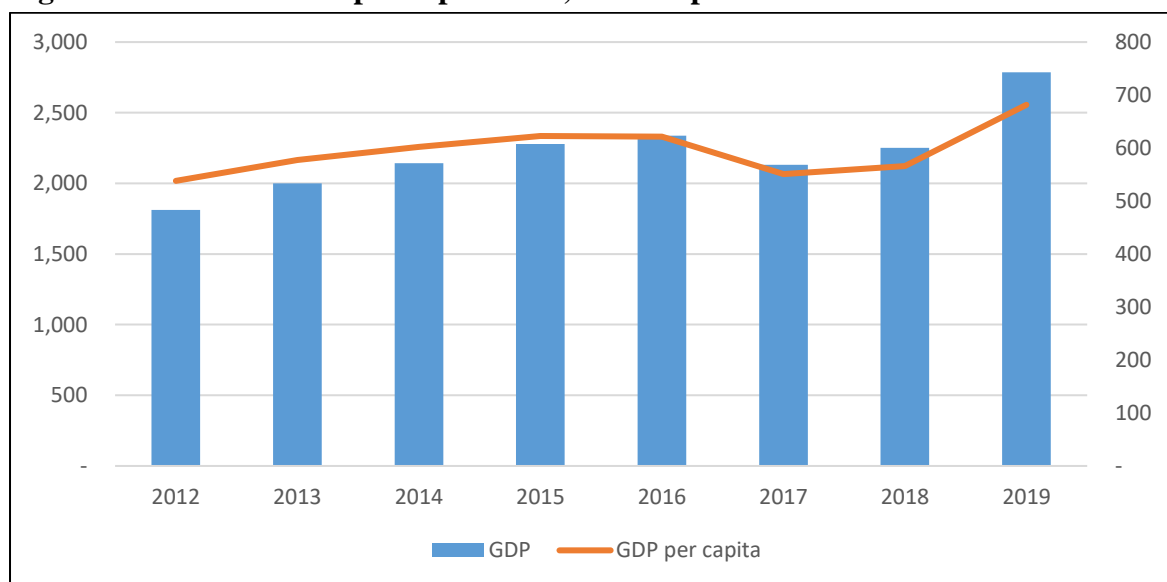
### 1.1 GDP and GDP per capita in current prices

The major macroeconomic aggregate within the System of National Accounts is Gross Domestic Product (GDP), which represents the results of production activities of all residential institutional units. GDP can be calculated three approaches, production approach, expenditure approach, and income approach.

Somaliland's GDP in current prices, estimated by the expenditure approach, was 2, 8 billion USD in 2019, while GDP per capita amounted to 682 USD, comparing to 2018 was 566 USD.

GDP per capita measures the share of GDP each person would get if equally distributed among all residents in an economic territory. It is derived by dividing GDP by population.

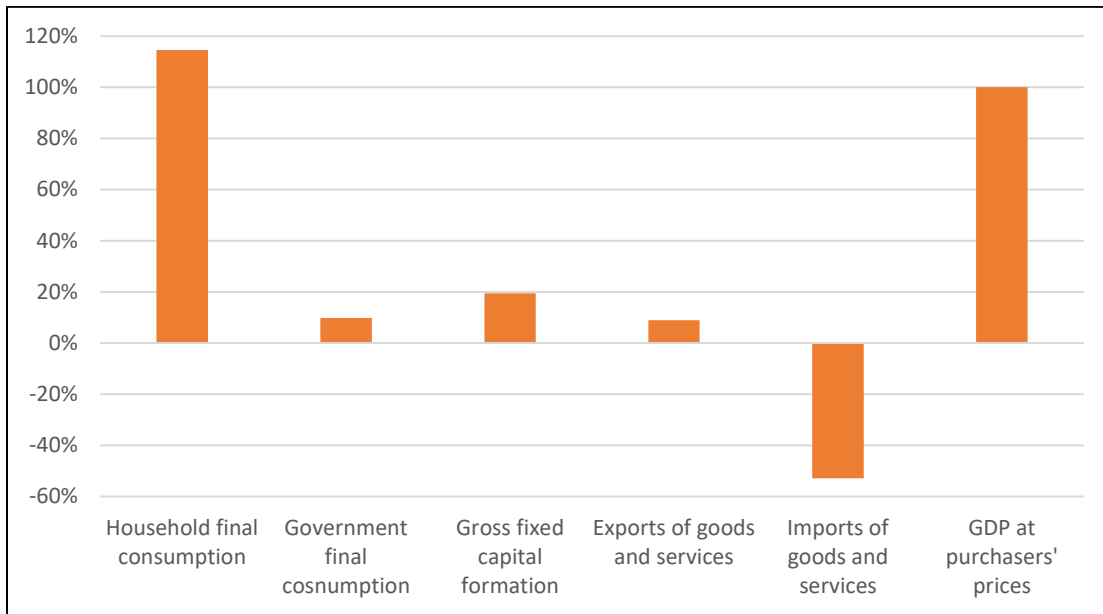
**Figure 1: GDP and GDP per capita 2019, current prices**



### 1.2 Shares of GDP components

The share of household final consumption expenditure in GDP was between 96 and 97 percent for the years 2012-2014, then increased to 112-114 percent in the years 2017-2019. The share of gross fixed capital formation increased from 9 percent in 2012 to 18 percent in 2019, while the share of exports decreased from 21 to 9 percent from 2012 to 2019. Imports amounted to 48 percent of GDP in 2019, compared to 32 percent in 2012 and 53 percent in 2018.

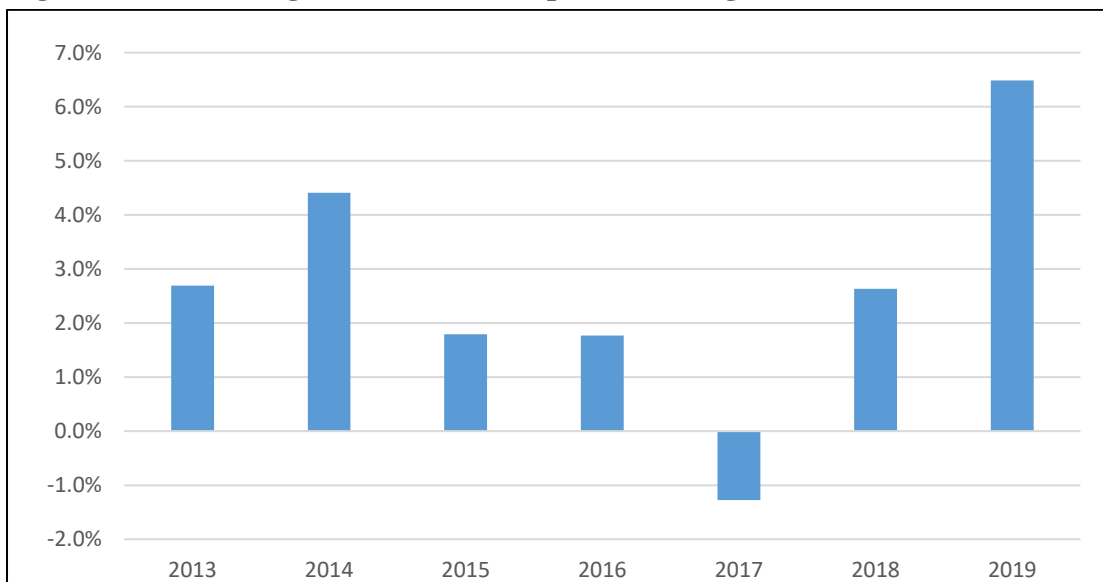
**Figure 2: Shares of GDP 2019, percent**



### 1.3 GDP in constant prices (real GDP)

The growth of real GDP, at constant 2017 prices, was 20 percent from 2012 to 2019 corresponding to an average annual growth rate of 2.6 percent. Real GDP growth picked up and reached 2.6 and 6.5 percent in 2018 and 2019. GDP decreased by 1.3 percent in 2017 due to a substantial decrease in livestock exports.

**Figure 3: Real GDP growth 2013-2019, percent change**



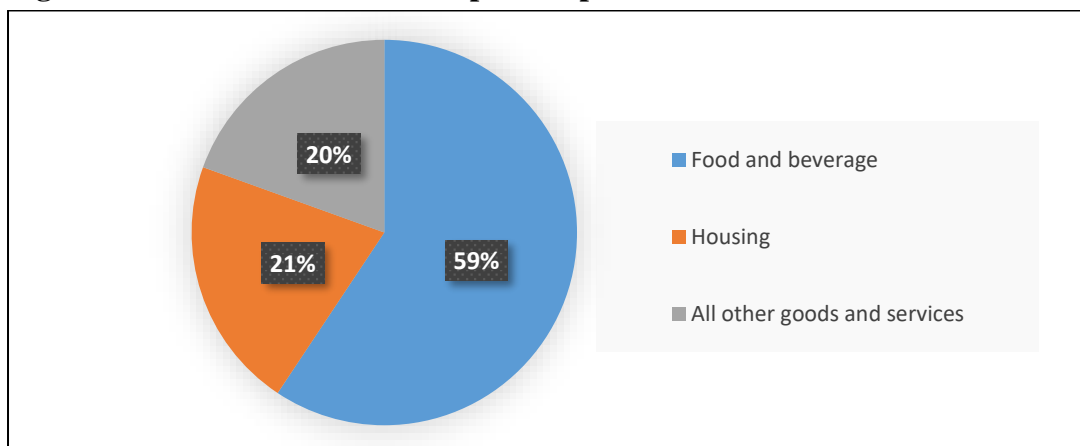
## 2. Components of GDP 2019

### 2.1 Household Final Consumption

Household final consumption expenditure amounted to 3,133 million USD in 2019. The volume growth of household final consumption expenditure from 2012 to 2019 was 29 percent. In 2019, food and beverages accounted for close to 59 percent of household

consumption. The share of housing was 21 percent, while that of all other goods and services accounted 20 percent of the total.

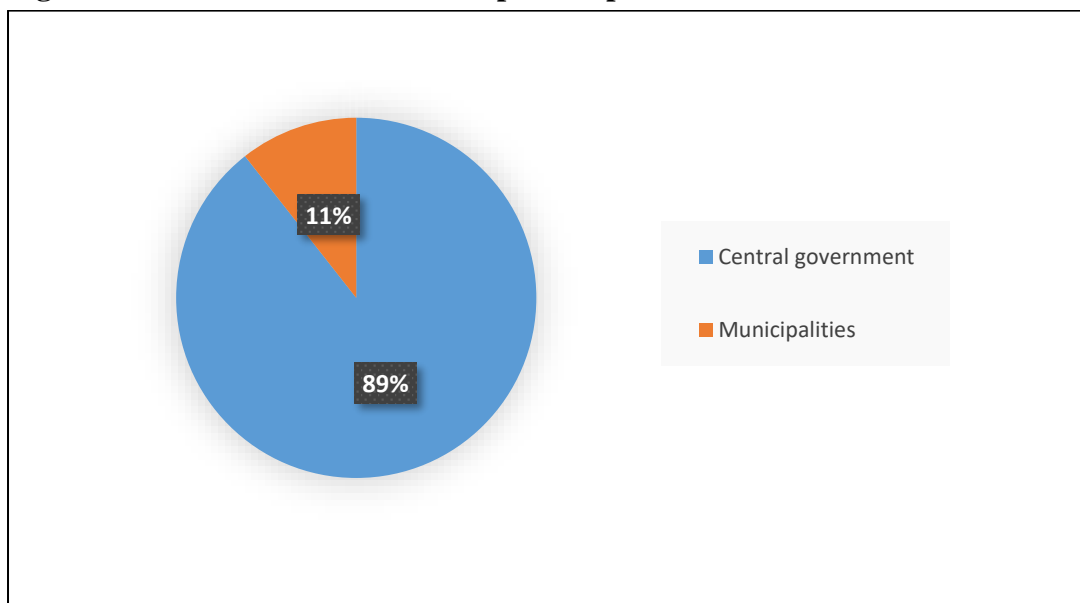
**Figure 4: Household final consumption expenditure 2019**



## 2.2 Government Final Consumption

Government final consumption expenditure amounted to 242 million USD in 2019, with the central government accounting for 89 percent of the expenditure, compared to only 11 percent for local government. The volume more than doubled from 2012 to 2019.

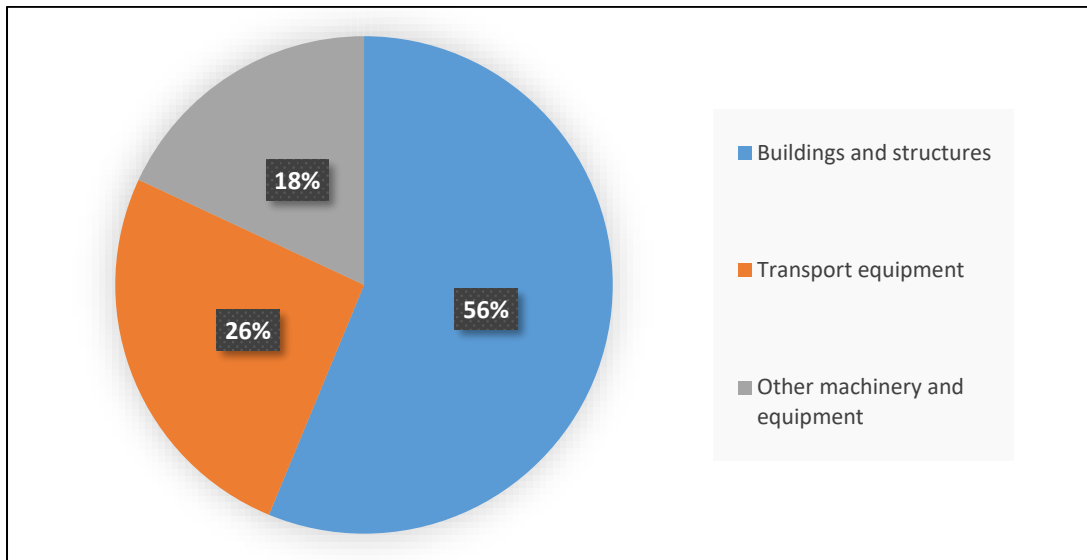
**Figure 5: Government final consumption expenditure 2019**



## 2.3 Gross fixed capital formation

Gross fixed capital formation amounted to 512 million USD in 2019. The volume more than doubled from 2012 to 2019 (220 percent increase). 56 percent of gross fixed capital formation consisted of buildings and structures. The rest was made up of transport equipment (26 percent) and machinery and other equipment (18 percent).

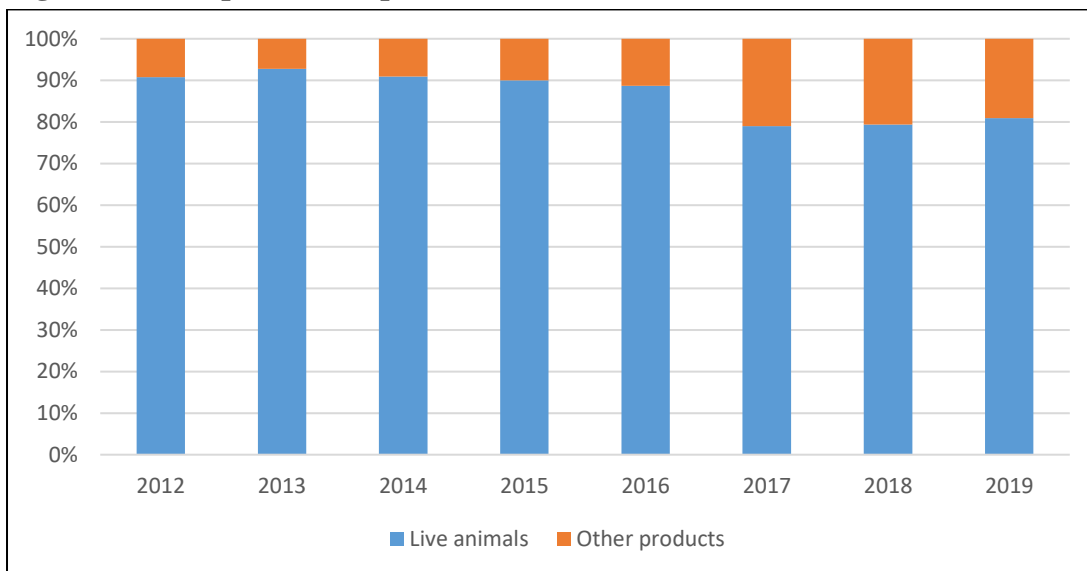
**Figure 6: Gross fixed capital formation 2019**



## 2.4 Exports

Export of goods and services amounted to 244 million USD in 2019. The major export product is livestock, with a share of the total decreasing from 91 percent in 2012 to 81 percent in 2019. The volume decreased by 37 percent from 2012 to 2019, due to a decrease of exports of live animals following the ban imposed by Saudi Arabia and the 2015-2017 drought. Notable products exported aside from live animals include gold, gem stones, scrap metal, animal skins, fishing products, and frankincense.

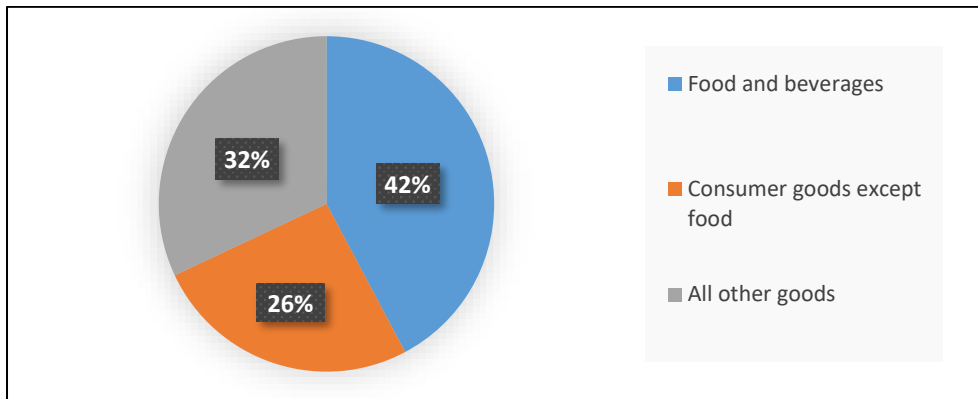
**Figure 7: Main products exported 2012-2019**



## 2.5 Imports

Imports amounted to 1,346 million USD in 2019, with the volume increased by 83 percent from 2012 to 2019. Consumer goods made up close to 26 percent of imports with a share of food and beverages at 42 percent. The remaining 32 percent include capital goods, industrial supplies and fuels.

**Figure 8: Imports**





## Tables

**Table 1: GDP by expenditure, current prices, million US Dollars**

<b>Expenditure items</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Household final consumption	1 755	1 949	2 067	2 325	2 475	2 421	2 579	3 133
Government final consumption	103	125	144	163	175	215	220	242
Gross fixed capital formation	156	193	238	283	328	373	438	512
Exports of goods and services	372	405	462	372	322	179	202	244
Minus: Imports of goods and services	574	671	768	864	961	1 058	1 189	1 346
GDP at purchasers' prices	1 813	2 000	2 144	2 278	2 338	2 130	2 251	2 786
GDP per capita, US Dollars	538	577	602	623	621	551	566	682

**Table 2: GDP by expenditure, current prices, percentage share**

<b>Expenditure items</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Household final consumption	96.8	97.4	96.4	102.0	105.8	113.6	114.6	112.5
Government final consumption	5.7	6.2	6.7	7.2	7.5	10.1	9.8	8.7
Gross fixed capital formation	8.6	9.6	11.1	12.4	14.0	17.5	19.5	18.4
Exports of goods and services	20.5	20.2	21.6	16.3	13.8	8.4	9.0	8.8
Minus: Imports of goods and services	31.7	33.5	35.8	37.9	41.1	49.7	52.8	48.3
GDP at purchasers' prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

**Table 3: GDP by expenditure, constant prices, million US Dollars**

<b>Expenditure items</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Household final consumption	1 957	2 046	2 134	2 220	2 279	2 421	2 533	2 533
Government final consumption	104	122	140	154	158	215	213	223

Gross fixed capital formation	159	190	232	289	337	373	432	509
Exports of goods and services	355	338	367	309	292	179	188	222
Minus: Imports of goods and services	632	701	790	851	907	1 058	1 179	1 158
GDP at purchasers' prices	1 943	1 995	2 083	2 120	2 158	2 130	2 186	2 328

**Table 4: GDP by expenditure, constant prices, percent annual change**

<b>Expenditure items</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Household final consumption		4.6	4.3	4.0	2.6	6.3	4.6	0.0
Government final consumption		17.3	14.6	9.8	2.4	36.4	-1.0	4.6
Gross fixed capital formation		19.5	22.1	24.5	16.7	10.7	15.6	18.0
Exports of goods and services		-4.7	8.4	-15.8	-5.5	-38.5	5.0	17.8
Minus: Imports of goods and services		10.9	12.6	7.8	6.5	16.6	11.4	-1.7
GDP at purchasers' prices		2.7	4.4	1.8	1.8	-1.3	2.6	6.5

## Sources and methods

The estimates are based on imperfect and scarce source data combined with assumptions that are partly derived from the national accounts of other African countries. Therefore, the estimates should be seen as experimental meaning that they can be revised in the near future.

The following source data are used:

- The High Frequency Survey (HFS), Wave 2, collected data on household expenditure in February and March 2018 and provided data for benchmark estimates for 2017.
- Data on revenue and expenditure of the central government and data on revenue and expenditure of the municipalities.
- The Comtrade database is maintained by the UN Statistical Department and contains data on foreign trade reported by most countries in the world. Exports from Somalia can then be estimated as imports by its trading partners and imports by Somalia as exports from its trading partners. However, Comtrade doesn't specify Somaliland. Total imports for 2017, the base year, is based on Comtrade assuming that the share of Somaliland is roughly equal to its share of the population
- Data on imports and exports collected by the Customs Authority. Imports collected by Customs cover about 25 per cent of the estimated total imports. The structure in Customs data was applied to the total estimated as describe above.
- The consumer price index (CPI) compiled by the Central Statistics Department
- The Population Estimation Survey for Somalia (PESS) provides population data for 2014. The annual population growth has been estimated at 3 percent.

An estimate of GDP for 2012 was compiled and published in 2014. GDP was estimated by the production approach and imports was derived as a residual. Two surveys were important data sources: a business survey and a household income and expenditure survey. The results are somewhat different as shown in Table 5.

**Table 5: GDP, comparison of estimates for 2012**

Expenditure items	Million US Dollars		Percent of GDP	
	Previous	Current	Previous	Current
Household final consumption expenditure	2,037	1,755	129.9	112.9
Government final consumption expenditure	93	103	5.9	6.4
Gross fixed capital formation	154	156	9.8	10.3
Exports of goods and services	385	372	24.5	25.1
of which: livestock and livestock products	351	338	22.4	23.1
Minus: Imports of goods and services	1,100	574	70.1	54.6

GDP at purchasers' prices	1,569	1,813	100.0	100.0
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The magnitude of GDP is roughly the same in the two estimates. The estimates of government consumption and exports are based on the same data sources while the estimates of gross fixed capital formation for 2012 were used as benchmarks in the current estimates. The household survey for 2012 resulted in a consumption estimate that is considerable larger compared the current estimate based on the High Frequency Survey. The difference in the two estimates of imports is roughly the same.

**Household final consumption expenditure:** An estimate for 2017 was derived from the HFS Wave 2: Annual consumption per capita was estimated for the strata included in the HFS. Total consumption was then calculated by multiplying by the relevant population. The level appeared low when compared with imports of consumer goods; close to all consumer goods except food are imported. The benchmark for 2017 (except food and beverages) was therefore adjusted on the basis of imports with additions for an adjustment of CIF/FOB (15 percent), customs duties (6 percent) and trade margins (50 percent). Six groups were calculated:

- a) Food and beverages. The benchmark for 2017 was moved with the population growth. CPI for food and beverages was used to reflate and derive a time series in constant prices.
- b) Housing. The benchmark was moved with population growth and reflated by the relevant CPI to derive current prices.
- c) All other goods with specification of
- d) Qat & tobacco, The benchmark for 2017 was moved with the trend of imports and reflated with the relevant CPI.
- e) Non-durable goods. Same as d).
- f) Durable goods. Same as d).
- g) Services except housing. The benchmark was moved with population growth and reflated by the relevant CPI to derive current prices.

**Government final consumption expenditure:** Fiscal data (revenue and expenditure) are available for the central government. Final consumption by central government is based on these data. Data on income and expenditure are available for municipalities and are used to calculate final consumption by local government. The CPI is used as deflator to calculate constant prices.

**Gross fixed capital formation:** The previous estimates were taken as benchmarks for 2012. Current prices are then estimated by moving the benchmarks with: imports according to the Customs Authority of building materials and machinery and transport equipments. US producer price indices are used as deflators.

**Exports:** *Live animals* are based on data collected by the Customs Authority. Data are collected on quantities and unit prices and, thus, the current and constant prices are estimated by multiplying quantities by unit prices, for each year regarding current prices, and for the base year regarding constant prices. Exports of *other goods* are also based on Customs data. The details of the data are different for the latest years although the time series looks consistent. Exports of services are based on the number of arriving non-residents with

assumptions on their expenditure and length of stay. CPI is used as deflator both for other goods and services

**Imports.** A benchmark is estimated on the basis of Comtrade at 30 percent of the total, roughly equal to Somaliland's share of the population. The value of imports includes the cost of freight and insurance (CIF) between the exporting country and Somalia and, therefore, 15 percent were added to adjust for the valuation of exports, which records the value at the border (FOB) of the exporting country. The benchmark is moved with household final consumption (excluding housing) and gross fixed capital formation, both at current and constant prices.