

Gross domestic product of Montenegro for period 2006 - 2010

This release presents results revised data series of gross domestic product (GDP) for Montenegro for period 2006 – 2010 at current prices and 2007 – 2010 at constant prices following the ESA 2010 methodology.

The changes which have the impact on the GDP level are related to the methodological changes based on ESA 2010: capitalisation of expenditure of research and development and capitalisation of the military equipment expenditure and additional statistical improvements related to the improvements of the compilation of FISIM, government expenditure and imputed rents with the aim of harmonisation with the European union standards.

The changes affected the average increase of 0,6% at the GDP level in nominal terms during the period 2006-2009, but did not significantly change published real growth rates.

Table 1. Gross domestic product

	2006	2007	2008	2009	2010
1. Gross domestic product at current prices, mill. EUR	2 170	2 689	3 103	2 994	3 125
2. Population (in thousand)	615,0	615,8	617,0	618,3	619,4
3. Gross domestic product per capita in EUR <i>3= (1/2)</i>	3 528	4 366	5 030	4 842	5 045
4. Gross domestic product at constant prices (at of previous year prices), mill. EUR		2 318	2 883	2 923	3 076
5. Real growth rate of GDP (%) <i>(GDP at constant prices in current year / GDP at current prices in previous year) x 100 - 100</i>		6,8	7,2	-5,8	2,7
6. Nominal growth of GDP-a (%) <i>(GDP at current prices in current year / GDP at current prices in previous year) x 100 - 100</i>		23,9	15,4	-3,5	4,4
7. Deflator (%) <i>(GDP at current prices in current year / GDP at constant prices in current year) x 100 - 100</i>		16,0	7,6	2,4	1,6

Table 2. Gross value added at current prices, 2006 – 2010

In thous. EUR

Classification of activities		Gross value added				
		2006	2007	2008	2009	2010
A	Agriculture, forestry and fishing	178 157	194 399	230 903	247 540	239 947
B	Mining and quarrying	28 670	31 756	37 771	19 937	37 638
C	Manufacturing	168 472	137 195	159 267	135 680	142 278
D	Electricity, gas, steam and air conditioning supply	77 326	99 095	98 157	146 932	144 486
E	Water supply; sewerage, waste management and remediation activities	32 807	32 622	56 625	52 218	56 941
F	Construction	76 373	156 564	197 308	164 635	154 560
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	234 985	353 556	380 104	355 353	350 999
H	Transportation and storage	98 946	113 679	122 678	134 487	144 221
I	Accommodation and food service activities	64 282	117 659	132 982	152 433	160 663
J	Information and communication	126 917	143 095	178 972	161 576	178 526
K	Financial and insurance activities	65 208	103 370	118 375	116 572	136 556
L	Real estate activities	198 643	194 473	190 789	193 138	182 125
M	Professional, scientific and technical activities	37 121	48 068	50 582	47 339	76 428
N	Administrative and support service activities	8 977	11 402	14 290	19 917	24 878
O	Public administration and defense; compulsory social security	174 187	195 300	269 259	255 267	256 736
P	Education	87 708	92 255	116 759	125 891	147 563
Q	Human health and social work activities	83 378	87 755	108 365	117 221	120 149
R	Arts, entertainment and recreation	22 695	18 552	19 670	24 987	39 787
S+T	Other service activities; Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use	8 598	9 128	11 446	14 340	13 987
U	Activities of extraterritorial organizations and bodies	...	...	...	...	...
Total		1 773 448	2 139 923	2 494 303	2 485 466	2 608 472
Taxes on products less subsidies on products		396 181	549 205	609 029	508 420	516 618
GROSS DOMESTIC PRODUCT (current prices)		2 169 629	2 689 128	3 103 332	2 993 886	3 125 090

Table 3. Gross value added at constant prices, 2007 – 2010

In thous. EUR

Classification of activities		Gross value added			
		2007	2008	2009	2010
A	Agriculture, forestry and fishing	157 765	216 759	235 416	244 063
B	Mining and quarrying	29 258	37 588	14 087	32 392
C	Manufacturing	127 925	129 807	112 979	127 692
D	Electricity, gas, steam and air conditioning supply	76 003	103 420	121 625	183 156
E	Water supply; sewerage, waste management and remediation activities	26 320	54 279	46 447	52 172
F	Construction	153 794	193 652	168 162	152 200
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	343 050	391 258	344 042	358 623
H	Transportation and storage	104 754	106 796	140 039	135 657
I	Accommodation and food service activities	101 317	121 284	126 941	166 922
J	Information and communication	129 619	156 349	165 830	167 201
K	Financial and insurance activities	63 531	107 919	118 440	134 232
L	Real estate activities	200 953	198 044	195 244	191 734
M	Professional, scientific and technical activities	32 845	51 523	50 303	50 215
N	Administrative and support service activities	8 523	13 630	21 050	22 417
O	Public administration and defense; compulsory social security	135 288	203 654	272 803	256 501
P	Education	78 001	92 102	117 710	133 019
Q	Human health and social work activities	84 988	87 379	107 532	101 715
R	Arts, entertainment and recreation	15 568	16 199	23 654	28 175
S+T	Other service activities; Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use	8 121	10 314	13 713	15 450
U	Activities of extraterritorial organizations and bodies	...	...	...	...
Total		1 877 623	2 291 956	2 396 016	2 553 537
Taxes on products less subsidies on products		439 761	591 401	527 475	522 212
GROSS DOMESTIC PRODUCT (current prices)		2 317 384	2 883 357	2 923 491	3 075 749

Table 4. Structure of GDP at current prices, 2006 - 2010

Classification of activities		GDP structure (%)				
		2006	2007	2008	2009	2010
A	Agriculture, forestry and fishing	8.2	7.2	7.4	8.3	7.7
B	Mining and quarrying	1.3	1.2	1.2	0.7	1.2
C	Manufacturing	7.8	5.1	5.1	4.5	4.6
D	Electricity, gas, steam and air conditioning supply	3.6	3.7	3.2	4.9	4.6
E	Water supply; sewerage, waste management and remediation activities	1.5	1.2	1.8	1.7	1.8
F	Construction	3.5	5.8	6.4	5.5	4.9
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	10.8	13.1	12.2	11.9	11.2
H	Transportation and storage	4.6	4.2	4.0	4.5	4.6
I	Accommodation and food service activities	3.0	4.4	4.3	5.1	5.1
J	Information and communication	5.8	5.3	5.8	5.4	5.7
K	Financial and insurance activities	3.0	3.8	3.8	3.9	4.4
L	Real estate activities	9.2	7.2	6.1	6.5	5.8
M	Professional, scientific and technical activities	1.7	1.8	1.6	1.6	2.4
N	Administrative and support service activities	0.4	0.4	0.5	0.7	0.8
O	Public administration and defense; compulsory social security	8.0	7.3	8.7	8.5	8.2
P	Education	4.0	3.4	3.8	4.2	4.7
Q	Human health and social work activities	3.8	3.3	3.5	3.9	3.8
R	Arts, entertainment and recreation	1.0	0.7	0.6	0.8	1.3
S+T	Other service activities; Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use	0.4	0.3	0.4	0.5	0.4
U	Activities of extraterritorial organizations and bodies	...	...	...	...	...
Total		81.7	79.6	80.4	83.0	83.5
Taxes on products less subsidies on products		18.3	20.4	19.6	17.0	16.5
GROSS DOMESTIC PRODUCT (current prices)		100	100	100	100	100.0

Table 5. Structure of GDP at constant prices, 2007 - 2010

Classification of activities		GDP structure (%)			
		2007	2008	2009	2010
A	Agriculture, forestry and fishing	6.8	7.5	8.1	7.9
B	Mining and quarrying	1.3	1.3	0.5	1.1
C	Manufacturing	5.5	4.5	3.9	4.2
D	Electricity, gas, steam and air conditioning supply	3.3	3.6	4.2	6.0
E	Water supply; sewerage, waste management and remediation activities	1.1	1.9	1.6	1.7
F	Construction	6.6	6.7	5.8	4.9
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	14.8	13.6	11.8	11.7
H	Transportation and storage	4.5	3.7	4.8	4.4
I	Accommodation and food service activities	4.4	4.2	4.3	5.4
J	Information and communication	5.6	5.4	5.7	5.4
K	Financial and insurance activities	2.7	3.7	4.1	4.4
L	Real estate activities	8.7	6.9	6.7	6.2
M	Professional, scientific and technical activities	1.4	1.8	1.7	1.6
N	Administrative and support service activities	0.4	0.5	0.7	0.7
O	Public administration and defense; compulsory social security	5.8	7.1	9.3	8.3
P	Education	3.4	3.2	4.0	4.3
Q	Human health and social work activities	3.7	3.0	3.7	3.3
R	Arts, entertainment and recreation	0.7	0.6	0.8	0.9
S+T	Other service activities; Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use	0.4	0.4	0.5	0.5
U	Activities of extraterritorial organizations and bodies	...	...	...	...
Total		81.0	79.5	82.0	83.0
Taxes on products less subsidies on products		19.0	20.5	18.0	17.0
GROSS DOMESTIC PRODUCT (current prices)		100.0	100.0	100.0	100.0

Table 6. Index of nominal growth of gross value added and GDP, 2007 - 2010

Classification of activities		Index of nominal growth, (%)			
		2007	2008	2009	2010
A	Agriculture, forestry and fishing	109.1	118.8	107.2	96.9
B	Mining and quarrying	110.8	118.9	52.8	188.8
C	Manufacturing	81.4	116.1	85.2	104.9
D	Electricity, gas, steam and air conditioning supply	128.2	99.1	149.7	98.3
E	Water supply; sewerage, waste management and remediation activities	99.4	173.6	92.2	109.0
F	Construction	205.0	126.0	83.4	93.9
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	150.5	107.5	93.5	98.8
H	Transportation and storage	114.9	107.9	109.6	107.2
I	Accommodation and food service activities	183.0	113.0	114.6	105.4
J	Information and communication	112.7	125.1	90.3	110.5
K	Financial and insurance activities	158.5	114.5	98.5	117.1
L	Real estate activities	97.9	98.1	101.2	94.3
M	Professional, scientific and technical activities	129.5	105.2	93.6	161.4
N	Administrative and support service activities	127.0	125.3	139.4	124.9
O	Public administration and defense; compulsory social security	112.1	137.9	94.8	100.6
P	Education	105.2	126.6	107.8	117.2
Q	Human health and social work activities	105.2	123.5	108.2	102.5
R	Arts, entertainment and recreation	81.7	106.0	127.0	159.2
S+T	Other service activities; Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use	106.2	125.4	125.3	97.5
U	Activities of extraterritorial organizations and bodies	...	...	...	...
Total Real growth rate (%)		120.7	116.6	99.6	104.9
Taxes on products less subsidies on products		138.6	110.9	83.5	101.6
GROSS DOMESTIC PRODUCT (current prices)		123.9	115.4	96.5	104.4

Table 7. Real growth rates of gross value added and GDP, 2007 - 2010

Classification of activities		Real growth rate (%)			
		2007	2008	2009	2010
A	Agriculture, forestry and fishing	-11.4	11.5	2.0	-1.4
B	Mining and quarrying	2.1	18.4	-62.7	62.5
C	Manufacturing	-24.1	-5.4	-29.1	-5.9
D	Electricity, gas, steam and air conditioning supply	-1.7	4.4	23.9	24.7
E	Water supply; sewerage, waste management and remediation activities	-19.8	66.4	-18.0	-0.1
F	Construction	101.4	23.7	-14.8	-7.6
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	46.0	10.7	-9.5	0.9
H	Transportation and storage	5.9	-6.1	14.2	0.9
I	Accommodation and food service activities	57.6	3.1	-4.5	9.5
J	Information and communication	2.1	9.3	-7.3	3.5
K	Financial and insurance activities	-2.6	4.4	0.1	15.1
L	Real estate activities	1.2	1.8	2.3	-0.7
M	Professional, scientific and technical activities	-11.5	7.2	-0.6	6.1
N	Administrative and support service activities	-5.1	19.5	47.3	12.6
O	Public administration and defense; compulsory social security	-22.3	4.3	1.3	0.5
P	Education	-11.1	-0.2	0.8	5.7
Q	Human health and social work activities	1.9	-0.4	-0.8	-13.2
R	Arts, entertainment and recreation	-31.4	-12.7	20.3	12.8
S+T	Other service activities; Activities of households as employers; undifferentiated goods-and services-producing activities of households for own use	-5.5	13.0	19.8	7.7
U	Activities of extraterritorial organizations and bodies	...	...	...	...
Total		5.9	7.1	-3.9	2.7
Taxes on products less subsidies on products		11.0	7.7	-13.4	2.7
GROSS DOMESTIC PRODUCT (current prices)		6.8	7.2	-5.8	2.7

Table 8. GDP by type of expenditure at current prices, 2006 – 2010

In thous. EUR

Expenditure categories		Value				
		2006	2007	2008	2009	2010
1 = (1.1+1.2)	Final consumption expenditure	2 450 458	2 903 800	3 479 585	3 108 255	3 247 644
1.1	Households final consumption expenditure (HFCE)	2 035 884	2 369 142	2 790 087	2 453 776	2 557 204
1.2 = (a+b)	Government final consumption expenditure (GFCE)	414 574	534 658	689 498	654 480	690 439
a)	<i>individual</i>	198 672	239 755	292 581	297 105	304 655
b)	<i>collective</i>	215 902	294 903	396 917	357 375	385 785
2	Gross fixed capital formation (GFCF)	495 096	884 146	1 216 998	818 786	676 341
3	Changes in inventories	24 053	50 518	60 849	-12 139	3 989
4 = (4.1-4.2)	Net export / import	-799 977	-1 149 337	-1 654 100	-921 017	-802 883
4.1 = (a+b)	Exports of goods and services	880 036	1 156 406	1 226 429	1 027 827	1 157 671
a)	<i>export of goods</i>	461 999	483 435	450 391	296 313	356 626
b)	<i>export of services</i>	418 036	672 971	776 038	731 514	801 045
4.2 = (a+b)	Import of goods and services	1 680 013	2 305 743	2 880 529	1 948 844	1 960 554
a)	<i>imports of goods</i>	1 428 165	2 027 794	2 475 663	1 617 891	1 623 791
b)	<i>imports of services</i>	251 848	277 949	404 866	330 954	336 763
5 = (1+2+3+4)	GROSS DOMESTIC PRODUCT (current prices)	2 169 629	2 689 128	3 103 332	2 993 886	3 125 090

Table 9. Structure of GDP by type of expenditure at current prices, 2006 – 2010

Expenditure categories		Structure (%)				
		2006	2007	2008	2009	2010
1 = (1.1+1.2)	Final consumption expenditure	112.9	108.0	112.1	103.8	103.9
1.1	Households final consumption expenditure (HFCE)	93.8	88.1	89.9	82.0	81.8
1.2 = (a+b)	Government final consumption expenditure (GFCE)	19.1	19.9	22.2	21.9	22.1
a)	<i>individual</i>	9.2	8.9	9.4	9.9	9.7
b)	<i>collective</i>	10.0	11.0	12.8	11.9	12.3
2	Gross fixed capital formation (GFCF)	22.8	32.9	39.2	27.3	21.6
3	Changes in inventories	1.1	1.9	2.0	-0.4	0.1
4 = (4.1-4.2)	Net export / import	-36.9	-42.7	-53.3	-30.8	-25.7
4.1 = (a+b)	Exports of goods and services	40.6	43.0	39.5	34.3	37.0
a)	<i>export of goods</i>	21.3	18.0	14.5	9.9	11.4
b)	<i>export of services</i>	19.3	25.0	25.0	24.4	25.6
4.2 = (a+b)	Import of goods and services	77.4	85.7	92.8	65.1	62.7
a)	<i>imports of goods</i>	65.8	75.4	79.8	54.0	52.0
b)	<i>imports of services</i>	11.6	10.3	13.0	11.1	10.8
5 = (1+2+3+4)	GROSS DOMESTIC PRODUCT (current prices)	100.0	100.0	100.0	100.0	100.0

Table 10. GDP by type of expenditure at constant prices, 2007 – 2010

In thous. EUR

Expenditure categories		Value (in thous. EUR)			
		2007	2008	2009	2010
1 = (1.1+1.2)	Final consumption expenditure	2 735 235	3 176 631	3 086 113	3 154 920
1.1	Households final consumption expenditure (HFCE)	2 276 049	2 633 418	2 392 589	2 502 757
1.2 = (a+b)	Government final consumption expenditure (GFCE)	459 185	543 214	693 524	652 163
a)	<i>individual</i>	199 679	241 096	292 543	294 430
b)	<i>collective</i>	259 506	302 118	400 981	357 733
2	Gross fixed capital formation (GFCF)	890 097	1 163 204	865 260	666 969
3	Changes in inventories	-35 834	74 314	-18 414	38 098
4 = (4.1-4.2)	Net export / import	-1 272 114	-1 530 792	-1 009 468	-784 238
4.1 = (a+b)	Exports of goods and services	1 143 856	1 175 591	1 071 191	1 104 855
a)	<i>export of goods</i>	484 100	442 898	377 124	314 849
b)	<i>export of services</i>	659 756	732 693	694 067	790 006
4.2 = (a+b)	Import of goods and services	2 415 970	2 706 383	2 080 659	1 889 093
a)	<i>imports of goods</i>	2 144 300	2 314 706	1 750 727	1 557 138
b)	<i>imports of services</i>	271 670	391 677	329 932	331 956
5 = (1+2+3+4)	GROSS DOMESTIC PRODUCT (current prices)	2 317 384	2 883 357	2 923 491	3 075 749

Table 11. Structure of GDP by type of expenditure at constant prices, 2007 – 2010

Expenditure categories		GDP structure (%)			
		2007	2008	2009	2010
1 = (1.1+1.2)	Final consumption expenditure	118.0	110.2	105.6	102.6
1.1	Households final consumption expenditure (HFCE)	98.2	91.3	81.8	81.4
1.2 = (a+b)	Government final consumption expenditure (GFCE)	19.8	18.8	23.7	21.2
a)	<i>individual</i>	8.6	8.4	10.0	9.6
b)	<i>collective</i>	11.2	10.5	13.7	11.6
2	Gross fixed capital formation (GFCF)	38.4	40.3	29.6	21.7
3	Changes in inventories	-1.5	2.6	-0.6	1.2
4 = (4.1-4.2)	Net export / import	-54.9	-53.1	-34.5	-25.5
4.1 = (a+b)	Exports of goods and services	49.4	40.8	36.6	35.9
a)	<i>export of goods</i>	20.9	15.4	12.9	10.2
b)	<i>export of services</i>	28.5	25.4	23.7	25.7
4.2 = (a+b)	Import of goods and services	104.3	93.9	71.2	61.4
a)	<i>imports of goods</i>	92.5	80.3	59.9	50.6
b)	<i>imports of services</i>	11.7	13.6	11.3	10.8
5 = (1+2+3+4)	GROSS DOMESTIC PRODUCT (current prices)	100.0	100.0	100.0	100.0

METHODOLOGICAL NOTES

Methodological concepts, definitions and classifications

This release presents results of compilation of gross domestic product (GDP) for Montenegro by the European system of national and regional accounts (ESA 2010) methodology, which replicated the existing ESA 95 methodological framework. The main reason for introduction of ESA 2010 methodology are structural changes in world economy such as increase of the importance of information and communication technologies in the production processes, the growing place of intangible fixed assets, intellectual property products and services activities and the market globalisation.

ESA 2010 is the European version of world methodological framework System of national accounts (SNA 2008). ESA 2010 defines the concepts, definitions and accounting rules which applied in the compilation of national accounts in order to reach international comparability of data. ESA 2010 presents the a set of inter-related and consistent tables, accounts, classifications and the balances which represents statistical and documentation basis for the monitoring of economic activity.

Compilation methodology

Gross domestic product (GDP) measures the total value of the goods and services produced by resident institutional units.

Statistical Office compile GDP by production and expenditure approaches which are mutually independent.

The GDP calculation includes all activities within the production frame defined by SNA 2008 and ESA 2010 methodologies and covers the whole territory of Montenegro.

The estimate of non-observed economy for legal part of economy is partially included in compilation of GDP.

The following illegal activities: drugs, prostitution, sex – trafficking, illegal selling of CDs, illegal use of software, smuggling of weapons, etc., are not included in GDP estimation.

The classification of economic units by activity is in line with the national Classification of Activities KD 2010 which is harmonized with the Classification of Economic Activities in the European Community (NACE Rev.2).

Production approach

The main categories of GDP compilation by production approach are:

Gross output is defined as a market value of produced goods and services. It is calculated by activities at approximate basic prices, since all subsidies are treated as subsidies on products and included into calculation on the level of national economy.

Intermediate consumption at purchase prices is the value of goods and services, which are transformed, used and consumed in the production process.

Gross value added is the value of gross output less the value of intermediate consumption.

Gross domestic product at market prices is the value of all goods and services produced by resident units, i.e., the sum of gross value added by activities and taxes on products less subsidies on products.

In compilation of intermediate consumption by activities is included the value of financial intermediation services indirectly measured (FISIM) which increase level of harmonization of GDP compilation in line with European standards.

Current prices

Gross value added calculation at current prices is mostly based on annual financial reports (Income statements and Statistical annex) of enterprises and other legal entities and results from regular statistical surveys.

The data quality of annual financial reports was checked and partially corrected on the basis of data from statistical surveys in agriculture, industry, construction, wholesale and retail trade, tourism, transport and other statistics. Additionally, it was used administrative data obtained from Central Bank of Montenegro, Tax authorities, Customs administration and Ministry of Finance.

The used data were adjusted according to the requirements of ESA 2010 methodology, while in certain cases particularly estimation were made on the basis of available data.

Constant prices

GDP calculation by production approach is also done at constant prices. For activity Agricultural, forestry and fishing compilation at constant prices is done by double deflation method and for all other activities calculation is done by applying single extrapolation method.

Expenditure approach

Current prices

The GDP compilation by expenditure approach at current prices is based on the data from regular statistical surveys of MONSTAT, Ministry of Finance, Central Bank of Montenegro, Customs administration and Tax authorities.

Final consumption expenditure of households was calculated on the basis of data from regular statistical surveys of MONSTAT as well as on data from various administrative sources. COICOP classification on 4-digit level is applied. Commodity flow approach is used for estimation of final consumption expenditure of households which represent balance of all goods and services flows that are produced and imported from one side and used and exported on the other side.

Data on Government expenditures were based on data from Ministry of Finance and Budgetary Report of Montenegro. Individual government final consumption includes expenditures on education, health, social security and welfare and sport, culture and recreation. Remained expenditures of the government are related to collective consumption (general public services, military and civil defence with ministry, residential and communal services, etc).

Gross fixed capital formation data are compiled by Commodity flow approach and using data from regular statistical surveys and financial reports of enterprises.

Data on exports and imports of services are based on the Balance of Payment data of Central Bank of Montenegro.

Constant prices

GDP calculation by expenditure approach is also done at constant prices. On the basis of available data it is carried out extrapolation method for expenditure component: Government final consumption expenditure and for others expenditure components calculation is done by applying deflation method.

Detail data series according ESA 2010 at current and constant prices are presented on the Statistical Office website www.monstat.org

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