

## Gross domestic product of Montenegro in 2010

**Real growth rate of gross domestic product for 2010 is 2.5%**

*This release presents results of gross domestic product (GDP) for Montenegro by the production and expenditure approach for the 2010 year, at current and constant prices. Results for 2010 are based on data sources which are comprehensive and fully comparable with GDP 2009 compilation results.*

*Gross domestic product of Montenegro in 2010 amounted in total 3 104 million EUR, and for 2009 was 2 981 million EUR.*

*Gross domestic product per capita in 2010 is 5 006 EUR, and for 2009 was 4 720 EUR.*

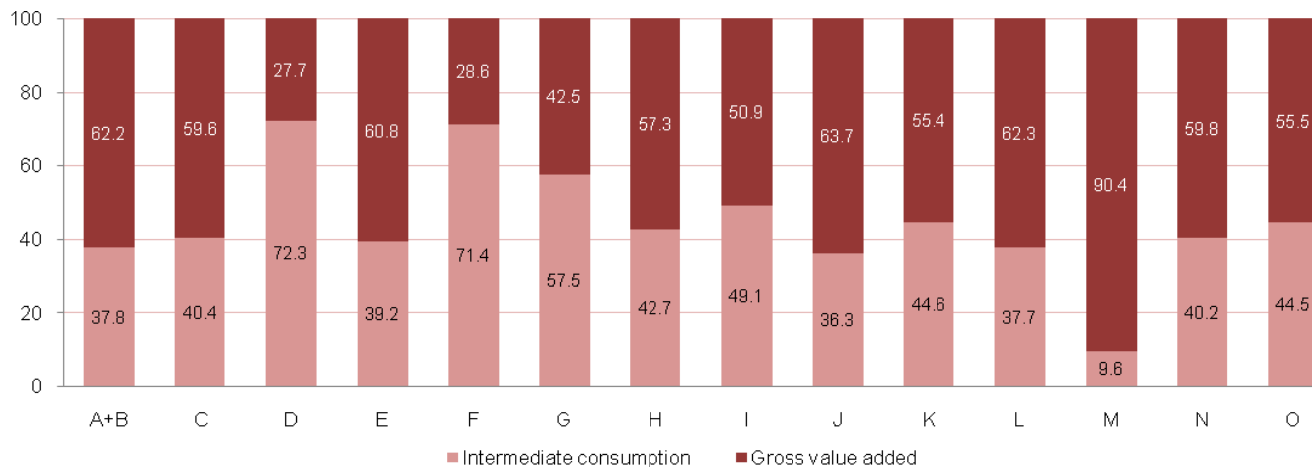
	2009	2010
1. Gross domestic product at current prices, mill. EUR	2 981	3 104
2. Population (in thous.)	631.5	620.0 <sup>1</sup>
3. Gross domestic product per capita in EUR 3 = (1/2)	4 720	5 006
4. Gross domestic product at constant prices (at prices of previous year), mill. EUR	2 911	3 054
5. Real growth rate of GDP (%) (GDP at constant prices in current year / GDP at current prices in previous year) x 100 - 100	-5.7	2.5
6. Nominal growth of GDP-a (%) (GDP at current prices in current year / GDP at current prices in previous year) x 100 - 100	-3.4	4.1
7. Deflator (%) (GDP at current prices in current year / GDP at constant prices in current year) x 100 - 100	2.4	1.6

<sup>1</sup> Census of Population, Households and Dwellings 2011

**Table 1: Gross output and gross domestic product at current prices, 2009 - 2010**

		in thous. EUR					
NACE-Rev1.1 <sup>2</sup>		Gross output		Intermediate consumption		Gross value added	
		2009	2010	2009	2010	2009	2010
A+B	Agriculture, hunting, forestry and fishing	385 697	382 230	138 884	144 344	246 812	237 886
C	Mining and quarrying	47 161	64 854	27 508	26 223	19 653	38 631
D	Manufacturing	441 883	502 038	296 093	363 024	145 791	139 014
E	Electricity, gas and water supply	258 562	281 550	89 024	110 471	169 538	171 079
F	Construction	605 679	547 973	444 141	391 004	161 538	156 969
G	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	687 085	894 773	330 015	514 706	357 070	380 067
H	Hotels and restaurants	286 003	281 027	133 926	119 998	152 077	161 029
I	Transport, storage and communication	536 020	587 708	252 206	288 681	283 814	299 027
J	Financial intermediation	171 897	195 351	51 074	70 836	120 825	124 515
K	Real estate, renting and business activities	398 923	484 831	148 236	216 321	250 686	268 510
L	Public administration and defence; compulsory social security	386 151	409 811	131 311	154 601	254 840	255 210
M	Education	144 526	153 186	19 086	14 641	125 440	138 545
N	Health and social work	186 629	205 061	68 271	82 408	118 357	122 653
O	Other community, social and personal activities	116 090	169 430	49 984	75 328	66 106	94 102
P	Private households with employed persons	0	0	0	0	0	0
Q	Extra-territorial organizations and bodies	0	0	0	0	0	0
<b>Total</b>		<b>4 652 306</b>	<b>5 159 823</b>	<b>2 179 759</b>	<b>2 572 586</b>	<b>2 472 547</b>	<b>2 587 237</b>
Taxes on products less subsidies on products						508 420	516 618
<b>GROSS DOMESTIC PRODUCT (current prices)</b>						<b>2 980 967</b>	<b>3 103 855</b>

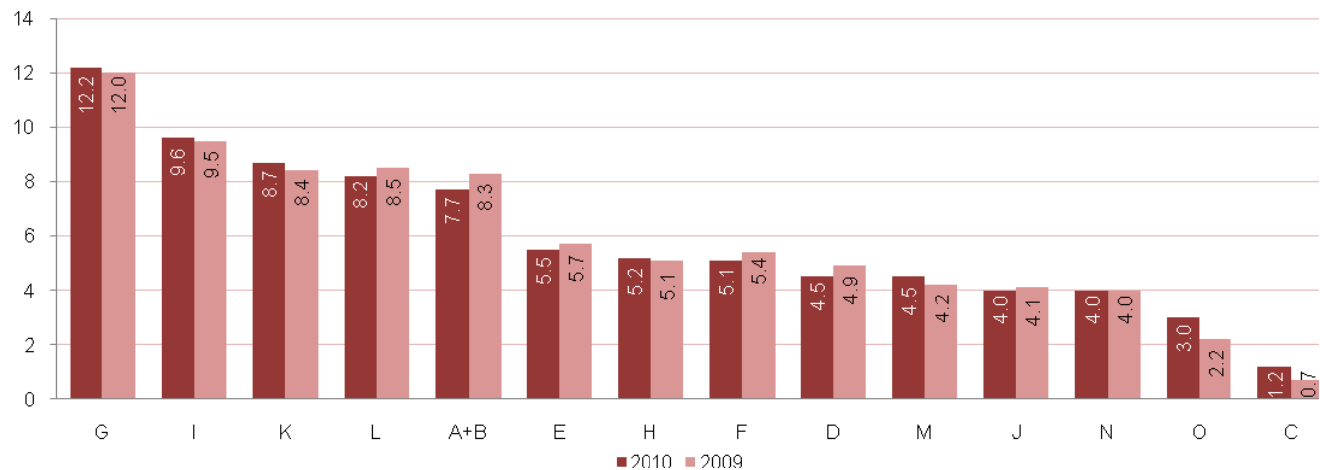
**Graph 1: Share of intermediate consumption and gross value added in gross output, 2010 (%)**



**Table 2: Index of nominal growth, structure of gross value added and gross domestic product at current prices, 2009 – 2010**

	NACE-Rev1.1	Gross value added (thous. EUR)		Index of nominal growth <sup>3</sup> (2010/2009)	GDP structure (%)	
		2009	2010		2009	2010
A+B	Agriculture, hunting, forestry and fishing	246 812	237 886	96.4	8.3	7.7
C	Mining and quarrying	19 653	38 631	196.6	0.7	1.2
D	Manufacturing	145 791	139 014	95.4	4.9	4.5
E	Electricity, gas and water supply	169 538	171 079	100.9	5.7	5.5
F	Construction	161 538	156 969	97.2	5.4	5.1
G	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	357 070	380 067	106.4	12.0	12.2
H	Hotels and restaurants	152 077	161 029	105.9	5.1	5.2
I	Transport, storage and communication	283 814	299 027	105.4	9.5	9.6
J	Financial intermediation	120 825	124 515	103.1	4.1	4.0
K	Real estate, renting and business activities	250 686	268 510	107.1	8.4	8.7
L	Public administration and defence; compulsory social security	254 840	255 210	100.1	8.5	8.2
M	Education	125 440	138 545	110.4	4.2	4.5
N	Health and social work	118 357	122 653	103.6	4.0	4.0
O	Other community, social and personal activities	66 106	94 102	142.3	2.2	3.0
P	Private households with employed persons	0	0	0	0.0	0.0
Q	Extra-territorial organizations and bodies	0	0	0	0.0	0.0
<b>Total</b>		<b>2 472 547</b>	<b>2 587 237</b>	<b>104.6</b>	<b>83.0</b>	<b>83.4</b>
Taxes on products less subsidies on products		508 420	516 618	101.6	17.0	16.6
<b>GROSS DOMESTIC PRODUCT (current prices)</b>		<b>2 980 967</b>	<b>3 103 855</b>	<b>104.1</b>	<b>100.0</b>	<b>100.0</b>

**Graph 2: GDP structure at current prices (%)**



**Table 3: Gross domestic product at current and constant prices with real growth rate, 2010**

in thous. EUR

NACE-Rev1.1	Gross value added 2009	Gross value added 2010		Real growth rate <sup>1</sup> (%) 2010	
	Current prices	Current prices	Constant prices		
A+B	Agriculture, hunting, forestry and fishing	246 812	237 886	243 492	-1.3
C	Mining and quarrying	19 653	38 631	32 444	65.1
D	Manufacturing	145 791	139 014	140 150	-3.9
E	Electricity, gas and water supply	169 538	171 079	206 108	21.6
F	Construction	161 538	156 969	149 552	-7.4
G	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	357 070	380 067	360 248	0.9
H	Hotels and restaurants	152 077	161 029	160 442	5.5
I	Transport, storage and communication	283 814	299 027	290 625	2.4
J	Financial intermediation	120 825	124 515	122 395	1.3
K	Real estate, renting and business activities	250 686	268 510	254 697	1.6
L	Public administration and defence; compulsory social security	254 840	255 210	254 942	0.0
M	Education	125 440	138 545	125 189	-0.2
N	Health and social work	118 357	122 653	116 156	-1.9
O	Other community, social and personal activities	66 106	94 102	75 758	14.6
P	Private households with employed persons	0	0	0	0
Q	Extra-territorial organizations and bodies	0	0	0	0
<b>Total</b>		<b>2 472 547</b>	<b>2 587 237</b>	<b>2 532 198</b>	<b>2.4</b>
Taxes on products less subsidies on products		508 420	516 618	522 212	2.7
<b>GROSS DOMESTIC PRODUCT</b>		<b>2 980 967</b>	<b>3 103 855</b>	<b>3 054 410</b>	<b>2.5</b>

**Graph 3: Real growth rates**

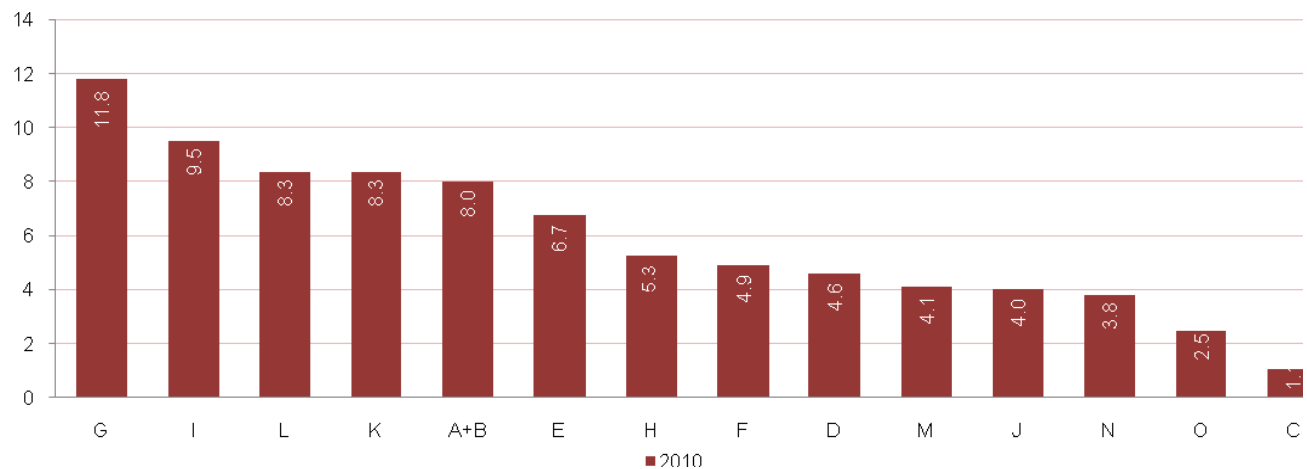
(%)



**Table 4:** Structure of gross value added and gross domestic product at constant prices, 2010

NACE-Rev1.1		Gross value added (thous. EUR)	GDP structure (%)
		2010	2010
A+B	Agriculture, hunting, forestry and fishing	243 492	8.0
C	Mining and quarrying	32 444	1.1
D	Manufacturing	140 150	4.6
E	Electricity, gas and water supply	206 108	6.7
F	Construction	149 552	4.9
G	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	360 248	11.8
H	Hotels and restaurants	160 442	5.3
I	Transport, storage and communication	290 625	9.5
J	Financial intermediation	122 395	4.0
K	Real estate, renting and business activities	254 697	8.3
L	Public administration and defence; compulsory social security	254 942	8.3
M	Education	125 189	4.1
N	Health and social work	116 156	3.8
O	Other community, social and personal activities	75 758	2.5
P	Private households with employed persons	0	0.0
Q	Extra-territorial organizations and bodies	0	0.0
<b>Total</b>		<b>2 532 198</b>	<b>82.9</b>
Taxes on products less subsidies on products		522 212	17.1
<b>GROSS DOMESTIC PRODUCT (constant prices)</b>		<b>3 054 410</b>	<b>100.0</b>

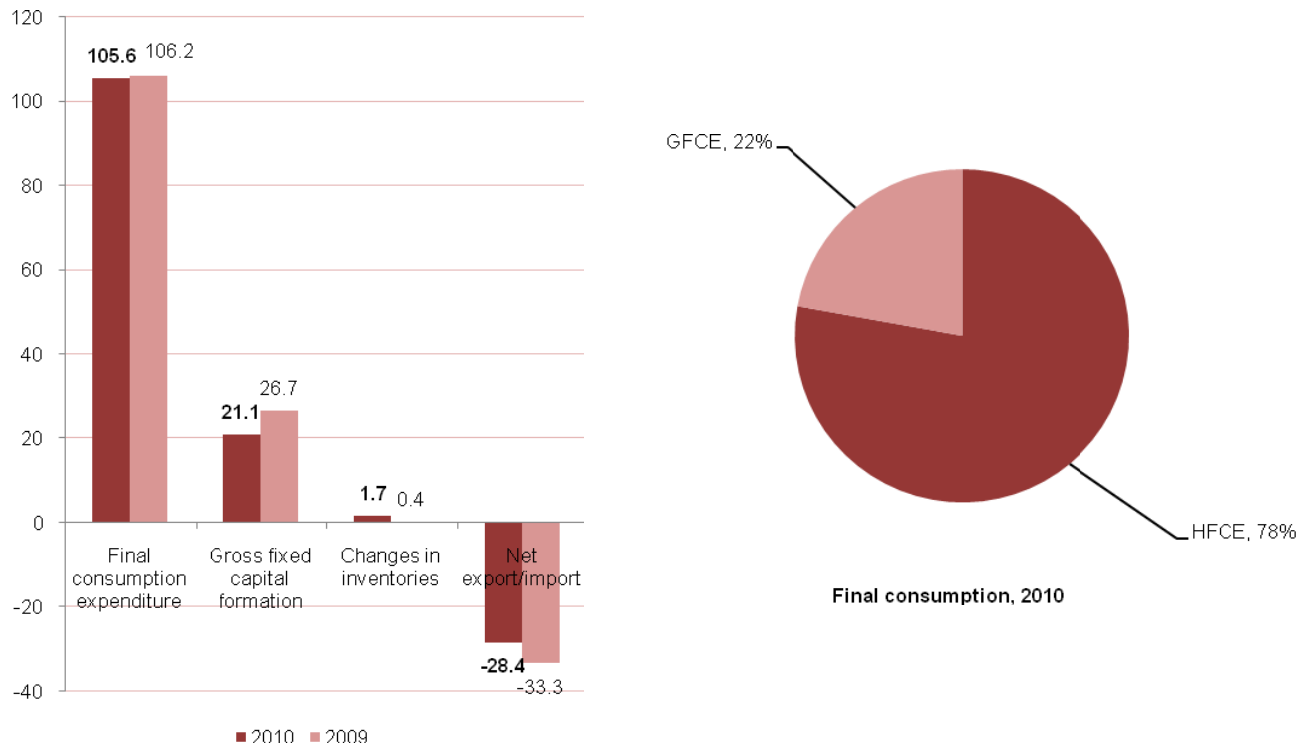
**Graph 4:** GDP structure at constant prices (%)



**Table 5: Structure of gross domestic product by type of expenditure at current prices, 2009 - 2010**

Expenditure categories		Value (thous. EUR)		GDP structure (%)	
		2009	2010	2009	2010
<b>1 = (1.1+1.2)</b>	<b>1. Final consumption expenditure</b>	<b>3 165 126</b>	<b>3 277 932</b>	<b>106.2</b>	<b>105.6</b>
1.1	1.1 Households final consumption expenditure (HFCE)	2 503 696	2 550 717	84.0	82.2
1.2 = (a+b)	1.2 Government final consumption expenditure (GFCE)	661 430	727 215	22.2	23.4
a)	a) individual	296 815	334 317	9.9	10.8
b)	b) collective	364 615	392 898	12.3	12.6
<b>2.</b>	<b>2. Gross fixed capital formation (GFCF)</b>	<b>797 623</b>	<b>655 139</b>	<b>26.7</b>	<b>21.1</b>
<b>3.</b>	<b>3. Changes in inventories</b>	<b>10 855</b>	<b>52 333</b>	<b>0.4</b>	<b>1.7</b>
<b>4 = (4.1 - 4.2)</b>	<b>4. Net export / import</b>	<b>- 992 637</b>	<b>- 881 549</b>	<b>-33.3</b>	<b>-28.4</b>
4.1 = (a+b)	4.1 Exports of goods and services	957 498	1 077 391	32.1	34.7
a)	a) exports of goods	277 011	330 367	9.3	10.6
b)	b) exports of services	680 487	747 024	22.8	24.1
4.2 = (a+b)	4.2 Imports of goods and services	1 950 135	1 958 940	65.4	63.1
a)	a) imports of goods	1 654 170	1 657 329	55.4	53.4
b)	b) imports of services	295 965	301 611	10.0	9.7
<b>5 = (1+2+3+4)</b>	<b>5. GROSS DOMESTIC PRODUCT</b>	<b>2 980 967</b>	<b>3 103 855</b>	<b>100.0</b>	<b>100.0</b>

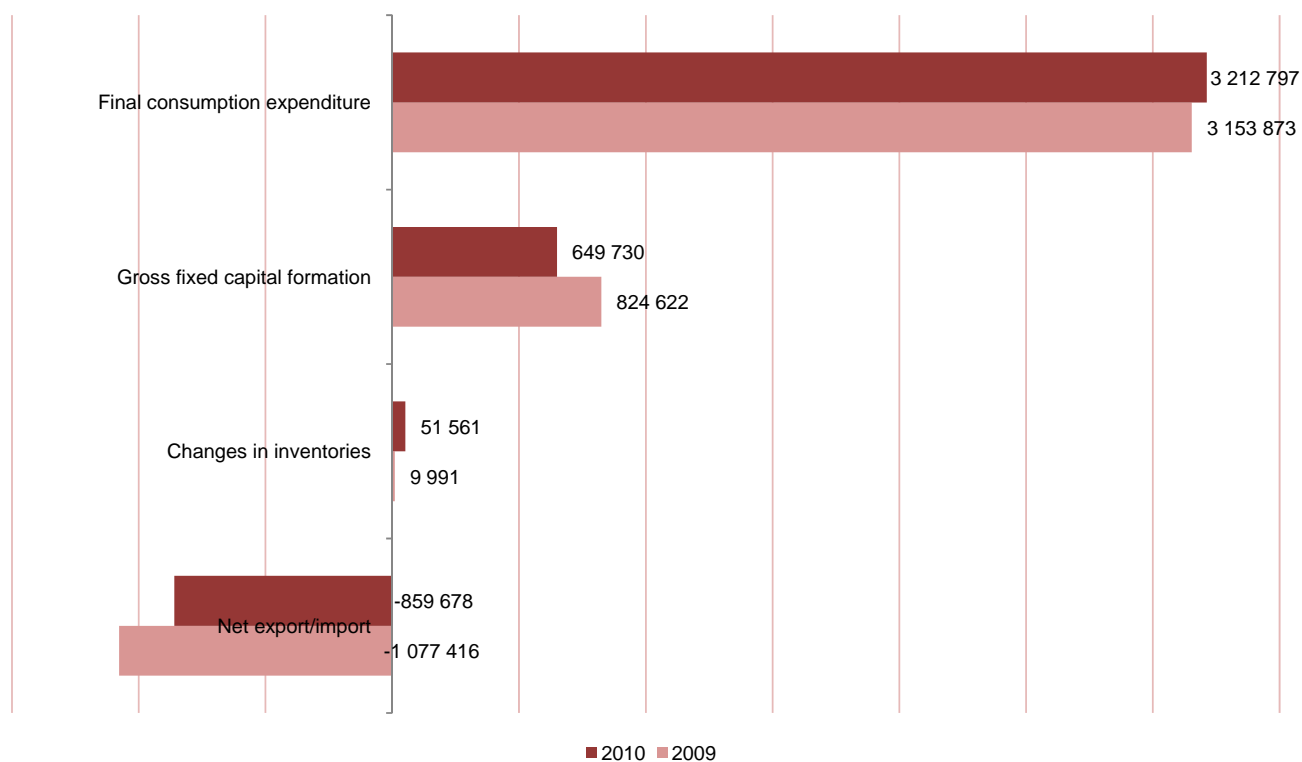
**Graph 5: Structure of gross domestic product by type of expenditure at current prices, 2010 (%)**



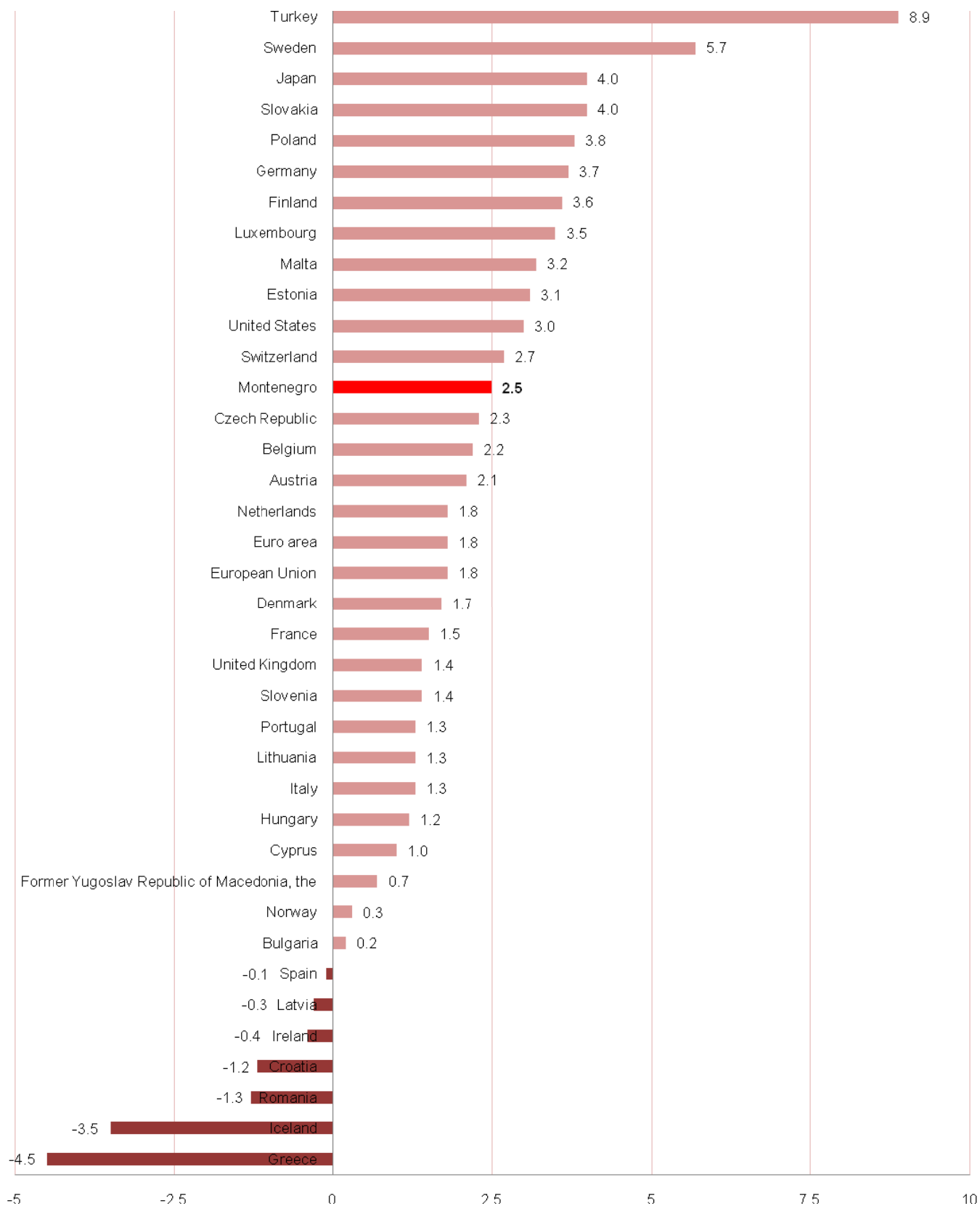
**Table 6: Structure of gross domestic product by type of expenditure at constant prices, 2009 - 2010**

Expenditure categories		Value (thous. EUR)		GDP structure (%)	
		2009	2010	2009	2010
<b>1 = (1.1+1.2)</b>	<b>1. Final consumption expenditure</b>	<b>3 153 873</b>	<b>3 212 797</b>	<b>108.4</b>	<b>105.1</b>
1.1	1.1 Households final consumption expenditure (HFCE)	2 450 613	2 553 674	84.2	83.6
1.2 = (a+b)	1.2 Government final consumption expenditure (GFCE)	703 260	659 123	24.2	21.5
a)	a) individual	293 049	294 143	10.1	9.6
b)	b) collective	410 211	364 980	14.1	11.9
<b>2.</b>	<b>2. Gross fixed capital formation (GFCF)</b>	<b>824 622</b>	<b>649 730</b>	<b>28.3</b>	<b>21.3</b>
<b>3.</b>	<b>3. Changes in inventories</b>	<b>9 991</b>	<b>51 561</b>	<b>0.3</b>	<b>1.7</b>
<b>4 = (4.1 - 4.2)</b>	<b>4. Net export / import</b>	<b>- 1 077 416</b>	<b>- 859 678</b>	<b>-37.0</b>	<b>-28.1</b>
4.1 = (a+b)	4.1 Exports of goods and services	945 916	1 029 238	32.5	33.7
a)	a) exports of goods	302 734	294 340	10.4	9.6
b)	b) exports of services	643 182	734 898	22.1	24.1
4.2 = (a+b)	4.2 Imports of goods and services	2 023 332	1 888 916	69.5	61.8
a)	a) imports of goods	1 728 253	1 592 055	59.4	52.1
b)	b) imports of services	295 079	296 861	10.1	9.7
<b>5 = (1+2+3+4)</b>	<b>5. GROSS DOMESTIC PRODUCT</b>	<b>2 911 070</b>	<b>3 054 410</b>	<b>100.0</b>	<b>100.0</b>

**Graph 6: Expenditure categories at constant prices, thous. EUR, 2009 – 2010 (%)**



**Graph 7: Comparative review of real growth rates of GDP, 2010 (%)**



Source: EUROSTAT

Data on real growth rates of GDP are published by Eurostat and can be found on the website:

<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsieb020>



## METHODOLOGICAL NOTES

### Methodological concepts, definitions and classifications

Applied methodology is harmonized with the System of National Accounts (SNA'93) and European system of accounts (ESA'95).

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

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

The GDP calculation includes all activities within the production frame defined by SNA'93 and ESA'95 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, video tapes, 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 (CA) that is harmonized with the Classification of Economic Activities in the European Community (NACE Rev.1.1).

### Compilation methodology

#### *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 of Enterprises (Income Statements and Statistical Annex) 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.

Gross value added for activity *Real estate, renting and business activities* is compiled by user-cost approach, which is harmonized with ESA'95 methodology.

The used data were adjusted according to the requirements of SNA'93 and ESA'95 methodologies, 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. On the basis of available data it is carried out double deflation method for activities *Agriculture, hunting, forestry and fishing* and *Electricity, gas and water supply*. For all others activities calculation is done by applying single extrapolation method, using appropriate indicators i.e. physical volume indices.

## ***Expenditure approach***

### Current prices

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

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. The main data source is Household Budget Survey (HBS). 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 for corporate enterprises are compiled by Commodity flow approach and using data from regular MONSTAT survey: Annual survey on investments in fixed assets. Gross fixed capital formation for the unincorporated sector (construction, agriculture, etc.) was estimated on the basis of available data from regular statistical surveys.

Data on exports and imports of services are based on the Balance of Payment data of Central Bank of Montenegro. Data on exports and imports of goods are based on the Monstat data from external trade statistics following special trade system.

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 activities calculation is done by applying deflation method.

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