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2023

**National Accounts Statistics**  
**2023**



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# **NATIONAL ACCOUNTS STATISTICS**

## **2023**



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# FOREWORD

The National Statistics Bureau (NSB) is pleased to publish the Gross Domestic Product (GDP) for the year 2022. The GDP for 2022 is published using the price of 2017 (reference period) which is a rebase from the price of 2000 for all preceding publications. It also presents the Supply and Use Tables (SUTs) and rebased estimates of GDP from 2017 to 2022 by economic activity.

The GDP estimates for 2017 and thereafter have been revised from 2000 base year to 2017 base year. This revision of the base year facilitated the updates to reflect the structural transformation of our economy over years. The Economic Census of Bhutan and Bhutan Living Standard Survey of 2017, as well as improved administrative data have enabled the compilation of the benchmark estimates.

The extension of data coverage, complimented by the adoption of the System of National Accounts (SNA) 2008 has led to methodological improvements and computational revisions resulting in improvements in the accuracy and

coverage of the estimates. Consequently, the size of the economy, both by activity and expenditure has increased compared to estimates with the preceding publications of the same period.

The publication of the 2017 base year GDP estimates is the result of almost four years of preparation, intensive data collection, and analysis efforts by the Economic and Environmental Statistics Division (EESD), under constant guidance from IMF experts. The rebasing would not have been possible without the financial support of the World Bank for the first Economic Census of Bhutan and cooperation received from government agencies, private sector, civil society organizations.

We would like to express gratitude to the International Monetary Fund (IMF), in particularly the IMF SARTTAC, New Delhi, India for their invaluable technical assistance.

National Statistics Bureau  
Thimphu: Bhutan



# ACRONYMS AND ABBREVIATIONS

BLSS	Bhutan Living Standard Survey
BM	Benchmark
BOP	Balance of Payments
BSIC	Bhutan Standard Industrial Classification
CFC	Consumption of Fixed Capital
CIF	Cost, Insurance and Freight
CoE	Compensation of Employees
CPC	Central Product Classification
CPI	Consumer Price Index
DRC	Department of Revenue & Customs
DGM	Department of Geology & Mines
DPA	Department of Public Accounts
DGM	Department of Geology & Mines
EC	Economic Census
FoB	Free on Board
FISIM	Financial Intermediation Services Indirectly Measured
GDCF	Gross Domestic Capital Formation
GDFCF	Gross Domestic Fixed Capital Formation
GDP	Gross Domestic Product
GNI	Gross National Income
IMF	International Monetary Fund
Nu	Ngultrum
GO	Gross Output
GVA	Gross Value Added
GVAR	Gross Value Added Ratio
GCE	Government Consumption Expenditure
IC	Intermediate Consumption
ISIC	International Standard Industrial Classification of All Economic Activities
I/O	Input-Output
PHCB	Population and Housing Census of Bhutan

PFCE	Private Final Consumption Expenditure
PCE	Private Consumption Expenditure
PPI	Producer Price Index
MoF	Ministry of Finance
NNI	Net National Income
NPISH	Non-Profit Institutions Serving Households
NSB	National Statistics Bureau
RMA	Royal Monetary Authority of Bhutan
SARTTAC	South Asia Regional Training and Technical Assistance Center
SNA	System of National Accounts
TA	Technical Assistance
SUT	Supply and Use Table

## Economic Performance Indicator

Indicator	2017	2018	2019	2020	2021	2022
<b>GDP and GNI (Million Nu)</b>						
GDP	168,753.30	176,672.95	192,647.77	182,107.42	204,664.41	227,813.72
GNI	154,893.91	161,614.37	176,482.94	171,521.95	193,088.14	215,978.96
<b>GDP and GNI (Million USD)</b>						
GDP	2,592.32	2,582.94	2,735.67	2,457.36	2,767.98	2,898.27
GNI	2,379.42	2,362.78	2,506.13	2,314.52	2,611.42	2,747.70
<b>GDP and GNI growth rates (%)</b>						
GDP	-	3.50	5.76	(10.22)	4.42	5.21
GNI	-	3.15	5.91	(7.69)	4.59	5.73
<b>GDP percapita</b>						
In Nu	229,423.71	240,576.26	259,747.93	243,156.47	270,673.94	301,289.48
In USD	3,524.32	3,517.20	3,688.52	3,281.16	3,660.72	3,833.03
<b>GNI percapita</b>						
In Nu	210,581.57	220,070.94	237,952.81	229,022.37	255,364.02	285,637.72
In USD	3,234.87	3,217.41	3,379.02	3,090.43	3,453.67	3,633.91
<b>Inflation, %</b>						
Implicit GDP deflator		1.15	3.11	5.29	7.63	5.79
CPI	4.96	2.72	2.73	5.63	7.35	5.64
<b>Govt. Expenditure as % of GDP</b>						
Current	15.29	16.02	15.34	17.28	19.92	15.31
Capital	15.81	13.96	9.24	12.71	15.62	14.95
<b>Govt. revenue as % of GDP</b>						
Tax revenue	16.06	15.38	11.83	11.35	12.63	11.74
Non-tax revenue	5.79	4.27	6.97	8.34	6.45	6.18
<b>Govt. Debt as % of GDP</b>						
Total Debt	107.26	103.54	98.95	123.57	117.16	116.25
External Debt	100.11	98.22	96.82	120.06	108.82	104.31
<b>Exchange Rates (Nu Per US\$)</b>						
	65.10	68.40	70.42	74.11	73.94	78.60
<b>Population, million</b>						
	0.74	0.73	0.74	0.75	0.76	0.76

# OVERVIEW

## 1.1 Background

The National Accounts are a set of economic statistics which provide information on macroeconomic activities and economic transactions between various economic agents and also with the rest of the world. The accounts provide information such as the Gross Domestic Product (GDP), Gross National Income (GNI), Net National Income (NNI), Savings, and other related macroeconomic information for macroeconomic analysis and policy making.

The GDP is defined as the monetary value of all goods and services produced within an economic territory for a specific period of time, usually a year. It is the most widely used indicator to measure a country's economic performance.

The GDP is measured both in constant prices (real, or in volume terms) and current prices (nominal/current). The constant price GDP measures any changes in the volume of production, eliminating

the changes in the prices of products and services by keeping the price level constant at base year levels. Thus, real GDP depicts a clear picture of changes in the actual production level of goods and services. While nominal GDP measures the value of goods and services (including the price and volume) produced.

As per the international best practices, regular rebasing of GDP is desired to capture the changes in the economic transformation and understanding of the economic dynamics.

It needs to be rebased as:

- new data sets become available e.g., updated surveys/censuses such as Economic Census 2017, Bhutan Living Standard Survey 2017, and Population and Housing Census);
- to adopt methodological and classification changes to conform to international guidelines/manuals (SNA 2008, ISIC);

- revisions in source data is undertaken;
- to correct for any anomalies/errors that may have been missed or would have otherwise distorted the time series; and
- to update classifications for economic activity (ISIC/BSIC) and products (CPC).

Bhutan's last GDP rebasing was undertaken in 2004, during which the base year was changed from 1980 to 2000. Despite many efforts rebasing thereafter could not be undertaken due to a lack of comprehensive data. It was only following the 2017- Economic Census of Bhutan, the works on rebasing GDP were undertaken and the GDP estimates were rebased to 2017 from 2000. The revision has revealed that over the past 20 years, the Bhutanese economy has experienced rapid economic development, with the economic dynamics shifting from the primary sector to the industry and service sector.

## 1.2 Classification of Industries

The GDP 2000 series used ISIC Rev. 3.1 while the industry classification of the GDP 2017 series is based on 2020 Bhutan Industrial Classification version 1 (BSIC). The BSIC was developed following ISIC

Rev. 4 structure to ensure international comparability. The comparison of aggregate level industrial classification from ISIC rev. 3.1 to BSIC version 1 is as shown below in Figure 1.1.

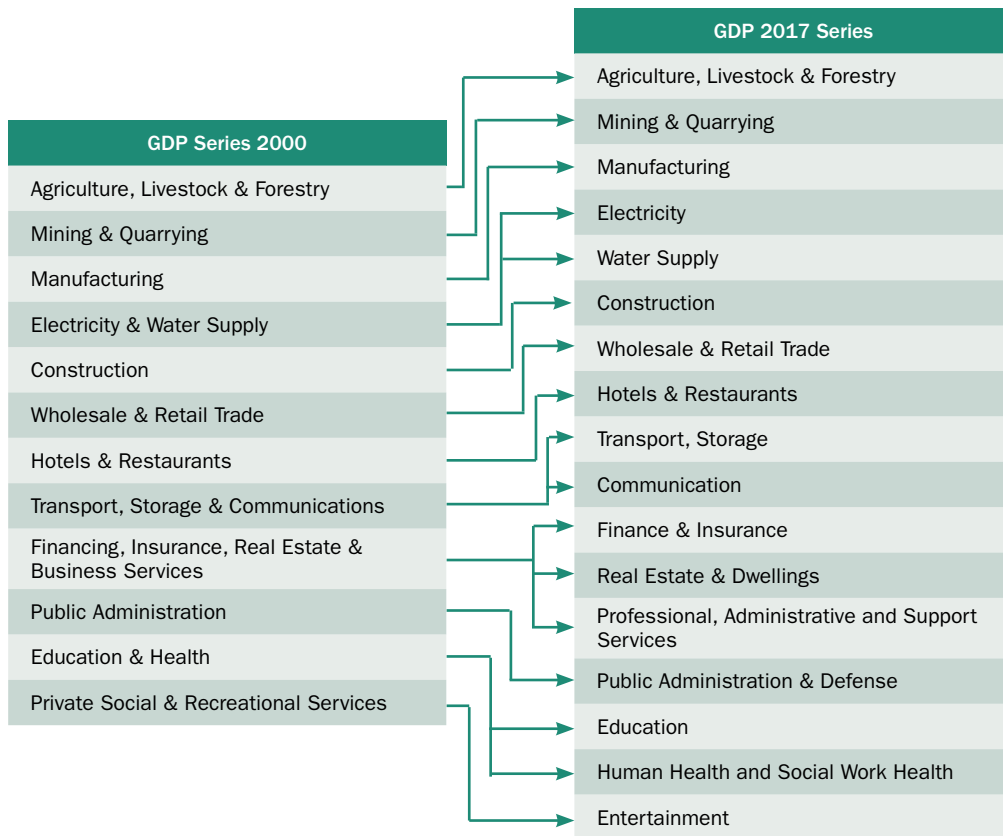
## 1.3 Supply and Use Table (SUT)

The SUT provides the central framework for compiling a single estimate of GDP by integrating all the components of the production, income and expenditure approaches. It consists of two main tables namely the Supply Table and the Use Table.

The Supply Table shows how goods and services are supplied to an economy (whether domestic production or imports). The Use Table shows how these goods and services are used (intermediate consumption, household consumption, non-profit institutions serving households, government final consumption, gross capital formation and exports).

This framework ensures consistency at the detailed product level between industries and products (intermediate consumption), and their final uses, and the reconciliation of the GDP estimates from the production, expenditure and income approaches, hence, the SUT framework has three identities that has to be fulfilled (refer Figure 1.2).

**Figure 1.1** Changes in the industry classification



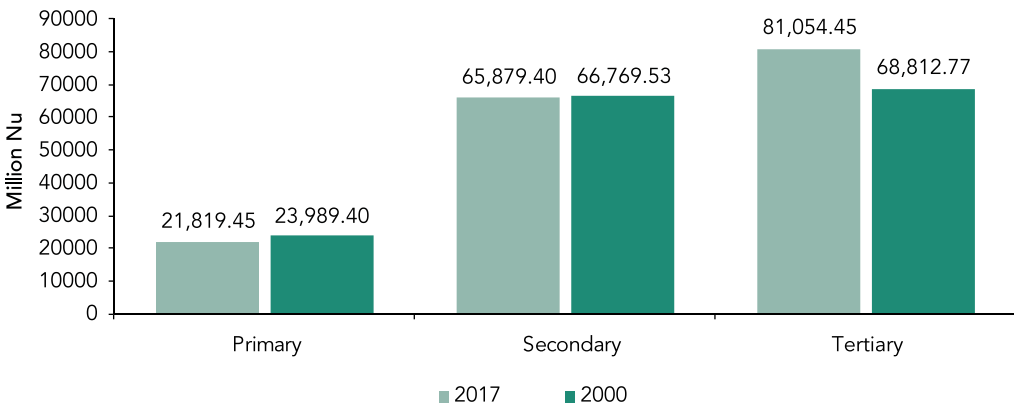
**Figure 1.2** Identity used in the SUT compilation

<p><b>GDP by Production approach (GDP [P])</b>  <math>Y = GVA + (T-S)</math></p> <p>Is defined as the difference of gross value of goods and services produced less the value of raw materials used as input (intermediate consumption) plus any taxes and less any subsidies on products</p>
<p><b>GDP by Expenditure approach (GDP [E])</b>  <math>Y = C + I + (X-M)</math></p> <p>Is the sum of consumption expenditure by households, nonprofit institutions serving households (NPISHs), government expenditures, investments and exports less imports of goods &amp; services</p>
<p><b>GDP by Income approach (GDP [Y])</b>  <math>Y = COE + OS + CFC + (T-S)</math></p> <p>Is the sum of compensation of employees, net operating surplus, consumption of fixed capital and other taxes less subsidies on production</p>

**Table 1.1** Summary of GDP by Production and Expenditure, 2017

GDP (P) in Million Nu		GDP (E) in Million Nu	
Gross Output (GO)	267,619.28	Final Consumption	110,917.86
Intermediate Consumption (IC)	106,952.65	Government Final Expenditure	30,687.96
Gross Value Added (GVA)	160,666.63	Households & NPISHs	80,229.89
Taxes Net of Subsidies	8,086.67	Gross Domestic Capital Formation	91,409.90
		Export of Goods & Services	48,004.25
		Import of Goods & Services	81,578.71
<b>GDP by Production</b>	<b>168,753.30</b>	<b>GDP by Expenditure</b>	<b>168,753.30</b>

**Figure 1.3** Revisions in GDP by sector in 2017



### 1.4 Supply and Use Table 2017 (SUT) estimates

The SUT was developed primarily based on the Economic Census and the Bhutan Living Standard Survey which was conducted in 2017. Further, more detailed and improved data sources from administrative records, such as companies’ books of accounts, tax data, etc. were some of the other data sources. This has helped to compute more reliable and comprehensive economic information.

Following the rebasing, the GDP for 2017 was re-estimated at Nu 168,753.30 million, representing an upward revision of 5.75 percent. Notably, the Service industry exhibited a significant positive revision of 17.79 percent, while the agriculture sector and secondary industry saw downward revisions of 9.05 percent and 1.33 percent, respectively, as in Table 1.1 and Figure 1.3.

The gross output was estimated at Nu 263,920.00 million, with the services

**Table 1.2 Supply of goods and services by Major Industry and by Products, 2017**

Supply	Products			
	Agriculture	Secondary	Service	Total
	Million Nu			
Industry				
Agriculture	17,855.54			17,855.54
Secondary		140,739.08		140,739.08
Service			105,325.44	105,325.44
<b>Domestic Supply</b>	<b>17,855.54</b>	<b>140,739.08</b>	<b>105,325.44</b>	<b>263,920.06</b>
Import	4,224.84	65,866.18	11,487.69	81,578.71
<b>Total Supply at Basic Prices</b>	<b>22,080.38</b>	<b>206,605.26</b>	<b>116,813.13</b>	<b>345,498.77</b>
Margin (TTM)	3,101.84	20,097.75	(23,199.59)	-00
Net taxes On products	254.48	7,246.12	586.07	8,086.67
<b>Supply at purchaser's prices</b>	<b>25,436.70</b>	<b>233,949.14</b>	<b>94,199.61</b>	<b>353,585.45</b>

industry contributing Nu 104,182.72 million which is 38.93 percent of the total domestic output, highlighting its significant role in the economy.

## 1.5 The Supply Table

The Supply Table presents the value of goods and services that are either domestically produced or imported from the rest of the world. The 2017 SUT output of domestic production of goods and services is computed using the Economic Census 2017, Agriculture and Livestock Census and survey, companies' books of accounts, sales tax, and other administrative data while imports of goods and services are derived from Bhutan Trade Statistics and Balance of Payments.

Domestic production is valued at basic prices whereas imports are valued at free on board (FOB) as reported in BOP. The output of trade and transport margins service activities consists of the markup for trading activities and distribution costs of goods from the point of manufacture to the final disposition point, respectively. In order to balance the supply with the use side (valued at purchaser's prices), adjustments are made on the domestic and imported value of goods and services.

Taxes on products consist of sales tax, customs duties, and excise duties which were used to convert the basic price to purchasers' price (see Table 1.2), and any subsidies provided thereof are removed.



Domestic produced goods and services contributed 74.64 percent of total supply and imports only 23.08 percent. While 86.63 percent of trade and transport margins were attributed to industrial products, only 13.37 percent of total margins were attributed to agricultural products. While service and agriculture contributed 39.91 percent and 6.77 percent respectively, 53.33 percent of total domestic supply was attributed to the secondary sector.

As regards to supply met through imports, industrial products dominated the share of imports with 80.74 percent of total imports followed by services at 14.08 percent and agriculture products had the least share of 5.18 percent of imports.

## 1.6 The Use Table

The Use Table describes how goods and services supplied are used in the economy. The goods and services are either used for intermediate consumption or final demand. Intermediate Consumption (IC) consists of goods and services used by the agriculture, industry and services sectors to produce final goods and services. Final demand comprises of the following components:

- Government Final Consumption Expenditure (GFCE) which consists of

expenditure incurred by the general government on both individual and collective consumption services (Health and Education).

- Household Final Consumption Expenditure (HFCE) which consists of expenditure incurred by resident households on consumption goods and services.
- Gross Capital Formation (GCF) are expenditures incurred on the following; construction of structures (buildings, roads, bridges, utility plants, etc), acquisition of machinery and equipment, raising of selected livestock, growing of selected crops, acquisition and development of computer software. Acquisition less disposal of valuables which consists of expenditures incurred on precious stones and metals, arts and antiquities that are not used primarily for production or consumption but instead acquired and held primarily as stores of value.
- Exports of goods and services which are valued at Free on Board (FoB).

Accordingly, intermediate consumption constituted 29.20 percent of the total use while final demand constituted 70.80 percent. The composition of intermediate consumption constituted industrial products 64.11 percent, services 27.98

**Table 1.3** Use of goods and services by Major Industry and by Products, 2017

Use	Products			
	Agriculture	Secondary	Service	Total
	Million Nu			
<b>Industry</b>				
Agriculture	1,484.86	1,353.96	402.12	3,240.95
Secondary	5,603.07	49,771.23	13,423.25	68,797.55
Service	1,077.07	15,070.42	15,067.44	31,214.94
<b>Intermediate Consumption</b>	<b>8,165.00</b>	<b>66,195.62</b>	<b>28,892.82</b>	<b>103,253.43</b>
Final Consumption Expenditure	14,674.40	41,643.92	54,599.54	110,917.86
Households	14,674.40	41,643.92	23,911.57	80,229.89
Government			30,687.96	30,687.96
GDCF	(768.39)	92,178.29		91,409.90
<b>Export</b>	<b>3,365.69</b>	<b>33,931.31</b>	<b>10,707.25</b>	<b>48,004.25</b>
Final Demand	17,271.70	167,753.52	65,306.79	250,332.01
<b>Use at Purchaser's prices</b>	<b>25,436.70</b>	<b>233,949.14</b>	<b>94,199.60</b>	<b>353,585.44</b>

percent and agricultural products 7.91 percent.

As to final demand, Industrial products accounted for the biggest share of 67.01 percent followed by services 26.09 percent and agricultural products 6.90 percent. Industrial products dominated exports and final household expenditure with 70.68 percent and 51.91 percent, respectively (see Table 1.3).

## 1.7 Methodological and Conceptual Changes

Based on the SNA 2008 recommendations, following are some of the methodological and conceptual changes introduced in the rebased GDP series:

- Compilation of the 2017 benchmark estimates within a SUT framework which

reconciles GDP via the production, income and expenditure approach.

- Expansion of coverage to include some informal and own-account production where necessary based on the LFS data.
- Compilation of Financial Intermediation Services Indirectly Measured (FISIM) using the recommended methodology from the 2008 SNA.
- Disaggregation of FISIM into the intermediate consumption by industries and final use (Household consumption).
- Use of Bhutan Standard Industrial Classification BSIC, developed based on International Standard Industrial Classification revision 4 (ISIC).

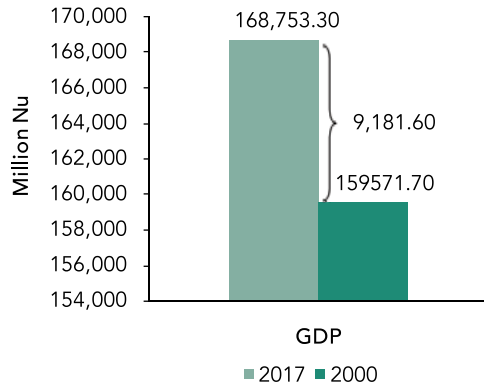
## 1.8 Comparison of GDP 2000 and 2017 Series

The rebasing of GDP has enabled the reconciliation of different Gross Value Added (GVA) estimates and provided an opportunity to review and improve the methods and concepts of the framework based on the System of National Accounts (SNA). The new GDP series provides a more up-to-date structure of the economy using two approaches: the production approach and the expenditure approach. As a result of this rebasing, there has been an upward revision of the GDP series.

In the 2017 Supply and Use Table (SUT) framework, the nominal GDP for 2017 was estimated at Nu 168,753.30 million, while the previously published nominal GDP (based on the year 2000) was estimated at Nu 1,595,701.70 million. This represents an increase of Nu 9,181.60 million, which is up by 5.75 percent compared to the old series (see Table 1.4).

The most significant positive revisions to Value Added were in public administration and defense, education and health, professional, administrative and support service activities, as well as real estate and ownership occupied dwellings. These revisions were made possible by utilizing data from the 2017-Economic

**Figure 1.4** The comparison of 2017 GDP for the base year 2017 and for 2000



Census, the Bhutan Living Standard Survey, the implementation of the System of National Accounts (SNA 2008) recommendations, and the compilation of consumption of fixed capital (CFC) for the general government sector (refer to Table 1.4).

The revision for the agriculture sector had a downward due to a lower growth rate in crop production, which was based on the findings of the 2018 Agriculture Census. Therefore, benchmark output for 2017 was estimated using the growth rate observed between these two periods. Additionally, the Manufacturing, Mining, and Electricity industries experienced minor downward revisions. These revisions were primarily due to updates in the Input-Output (IO) ratio and the

**Table 1.4** Revisions to the GDP estimates 2017

	2017 series	2000 Series	Change
	Million Nu		
Agriculture, Livestock & Forestry	21,819.45	23,989.40	(2,169.95)
Crops	10,106.78	12,922.58	(2,815.79)
Livestock	7,680.70	7,050.34	630.36
Forestry & Logging	4,031.97	4,016.48	15.49
Mining & Quarrying	6,101.84	6,954.64	(852.80)
Manufacturing	11,659.84	11,979.55	(319.72)
Electricity	21,573.29	21,728.17	(154.88)
Water Supply	38.35	38.70	(0.35)
Construction	26,506.08	26,068.46	437.62
Wholesale & Retail Trade	13,694.40	13,460.01	234.39
Transport, Storage	12,216.94	15,119.47	(2,902.54)
Hotels & Restaurants	4,038.93	3,476.78	562.15
Communication	3,844.17		3,844.17
Finance & Insurance	8,528.78	7,945.71	583.08
Real Estate & Dwellings	5,331.82	3,408.28	1,923.53
Professional, Administrative and Support Services	3,033.43	313.35	2,720.08
Public Administration and defense	14,421.71	11,630.59	2,791.11
Education	5,223.42		
Human Health and social work Health	2,012.26	4,717.21	2,518.48
Entertainment, recreation and other services	621.93	654.69	(32.76)
Taxes Net of Subsidies	8,086.67	8,086.67	-

adoption of double deflation, following recommendations from an IMF Technical Assistance (TA) mission.

The composite Intermediate Consumption (IC) price indices for industries were developed using the SUT (Supply and Use Table) absorption matrix weights and product-level price deflators.



# Economic Highlights

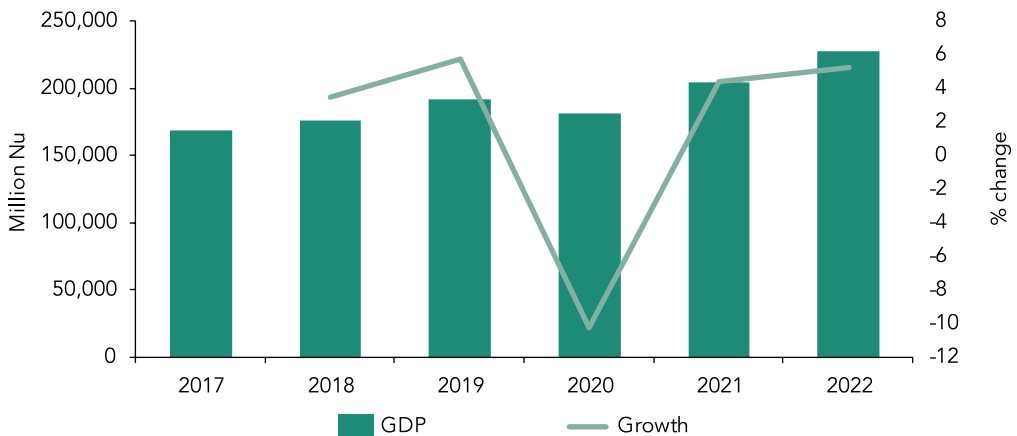
## 2.1 Gross Domestic Product (GDP)

The economy, with an estimated size of Nu 227,813.72 million, recorded a growth of 5.21 percent in 2022, marking a 0.79 percentage point increase from the 4.42 percent growth in 2021. The key economic sectors that contributed to this expansion were Hotels & Restaurants, which experienced a growth of 31.58 percent, Construction with a growth of 16.45 percent, Wholesale and Retail Trade with

14.35 percent growth, and Professional, Administrative, and Support Services with a growth of 13.99 percent, among other sectors. However, the Agriculture (crops), Mining and Quarrying, and Electricity sectors experienced a drop of -4.00 percent, -3.02 percent, and -1.14 percent, respectively.

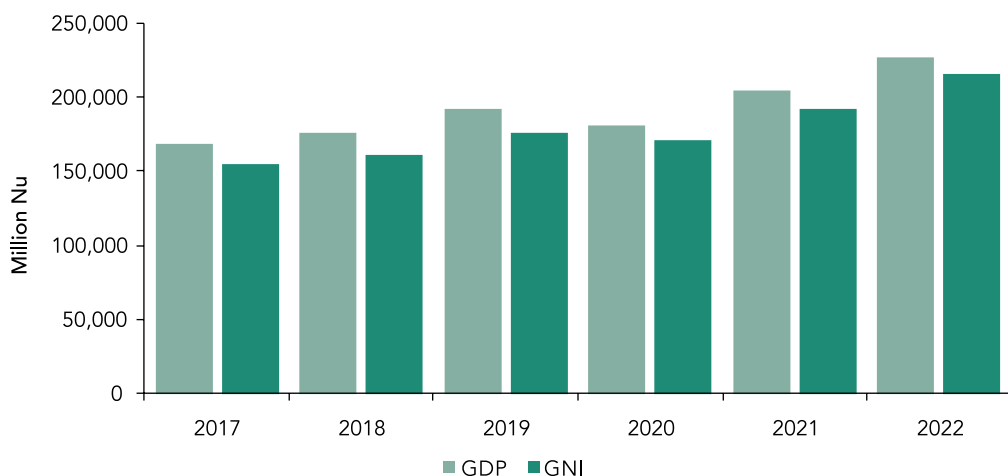
On the demand side of the economy, or the GDP by Expenditure, the Final Consumption Expenditure (GFCE)

**Figure 2.1** GDP and growth rates, 2017 - 2022



**Table 2.1 GDP Growth by expenditure, 2017 - 2022**

	2017	2018	2019	2020	2021	2022
	Million Nu					
Final Consumption Expenditure		2.87	1.73	4.00	1.42	-1.15
Gross Domestic Capital Formation		-4.00	-1.33	-14.40	3.94	5.60
Net Export		9.77	11.81	-10.86	5.51	6.62
<b>GDP by Expenditure</b>		<b>3.50</b>	<b>5.76</b>	<b>-10.22</b>	<b>4.42</b>	<b>5.21</b>

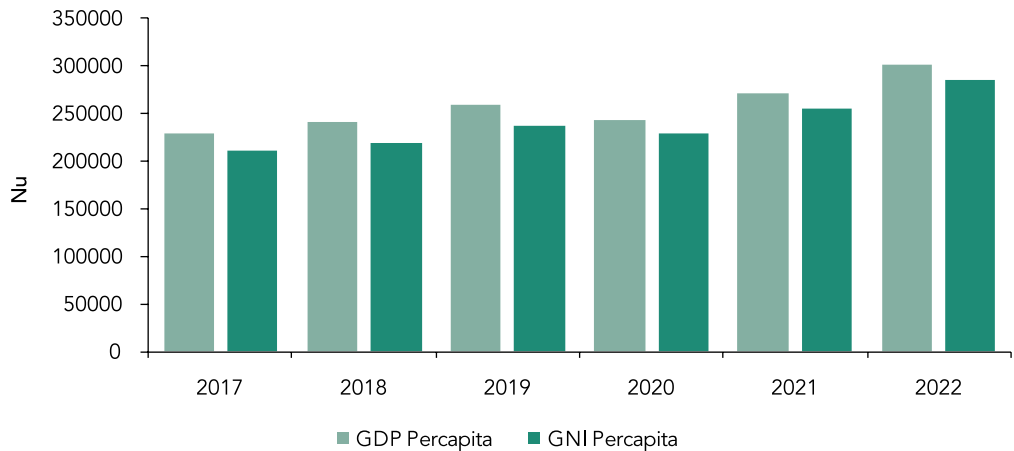
**Figure 2.2 GDP and GNI, 2017 - 2022**


exhibited a growth of 3.10 percent. The primary growth contributors were the Household Final Consumption Expenditure, showing a growth of 5.55 percent, while the Government Final Consumption experienced a decline of -2.32 percent. The Gross Domestic Capital Formation (GFC) also demonstrated robust growth, increasing by 28.84 percent, a notable improvement compared to the growth rate of 19.96 percent in 2021. However, there was a decline in the Export of Goods and Services, dropping by -8.10

percent, while the Import of Goods and Services increased significantly by 17.14 percent in 2022.

## 2.2 Gross National Income

The Gross National Income (GNI) registered a growth of 5.73 percent in 2022, which is an increase of 1.13 percentage points as compared to the 4.59 percent recorded in the preceding year. This growth is a result of a rise in the inflow of primary income as compared to the previous year.

**Figure 2.3 GDP and GNI per capita, 2017 - 2022**

The inflow of the primary income in 2022 was recorded at Nu 2,602.10 million, up from the previous year's figure of Nu 1,514.68 million and the primary income outflow for the same period to the Rest of the World (RoW) was recorded at Nu 14,436.85 million, compared to Nu 13,090.95 million in the previous year.

### 2.3 Per capita GDP GNI

In 2022, the GDP per capita increased to Nu 301,289.48 (US \$3,833.03), up from Nu 270,673.94 (US \$3,660.72) in 2021. In real terms, this represented a growth of 5.21 percent, which is an increase of 1.79 percentage points compared to the previous year.

The per capita Gross National Income (GNI) in 2022 exhibited a growth of 5.73

percent, compared to growth of 3.60 percent in 2021, resulting in an increase of 2.13 percentage points. In nominal terms, the GNI per capita in 2022 was recorded at Nu 285,637.72 (3,633.91), compared to Nu 255,364.02 (US\$3,453.67).

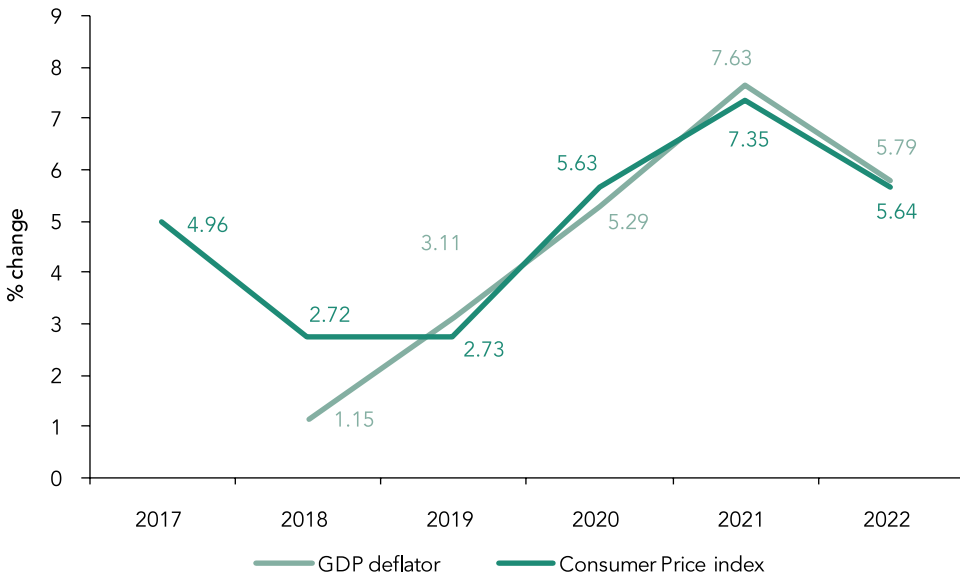
### 2.4 Inflation

The GDP deflator, also known as the implicit price deflator, is a measure of price change for goods and services produced within the domestic economy. The price deflator for 2022 was at 5.79 percent which is lower by 1.83 percentage points compared to the rate of 7.63 percent in 2021. This demonstrates a decrease in the rate of price change from the previous year.

Similarly, the annual price change, as



**Figure 2.4 GDP Implicit Price Index and CPI, 2017 - 2022**



measured by the Consumer Price Index (CPI), stood at 5.64 percent in 2022 as compared to 2021 inflation which was 7.35 percent. The 2022 inflation was lower by 1.71 percentage.

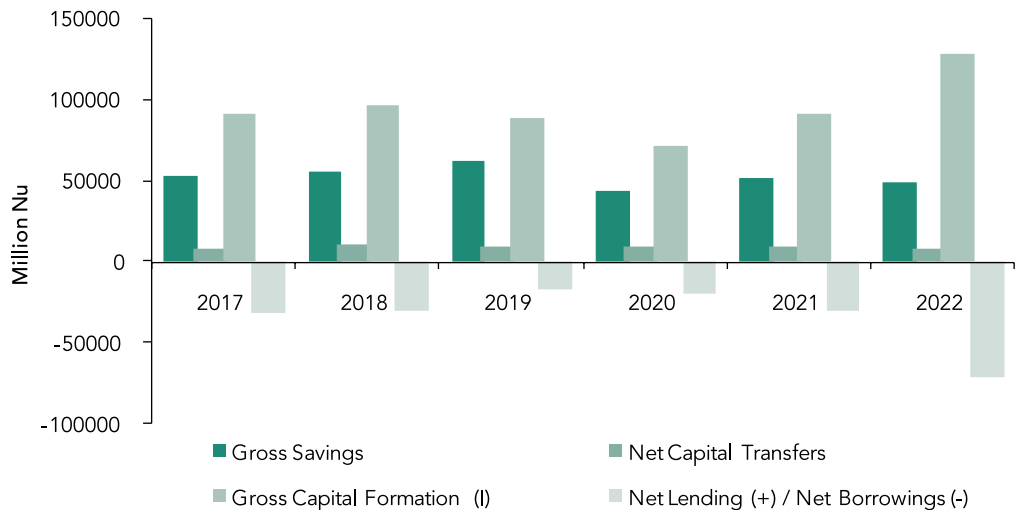
## 2.5 National Saving and Investment

In 2022, the economy recorded a gross national savings of Nu 53,734.83 million, which was an increase of Nu 4,853.16 million from Nu 48,881.67 million in 2021. Within the total national savings, government savings stood at a deficit of Nu 7,051.14 million, while private savings (including Households, Private, and

Public Corporations) amounted to Nu 60,785.97 million.

Despite the rise in national savings during 2022, the domestic investment demand could not be covered from the national savings resulting in a saving-investment gap of Nu 70,836.08 million. The nominal investment for 2022 was estimated at Nu 127,071.82 million, which is significantly higher than the Gross National Saving of Nu 48,361.04 million recorded in 2020.

In real terms, investment experienced a growth of 9.93 percent in 2022 as compared to 15.89 percent in 2021 which is lower by 5.96 percentage

**Figure 2.5 Savings, Investment, Capital transfer, and Net lending, 2017- 2022****Table 2.2 National Savings by Private and Government**

	2017	2018	2019	2020	2021	2022
	Million Nu					
Gross National Saving	52,661.93	53,664.10	62,938.40	42,181.12	48,881.67	53,734.83
Govt. Savings	6,183.36	2,032.14	(611.04)	(4,782.47)	(7,358.90)	(7,051.14)
Private Savings	46,478.57	51,631.96	63,549.44	46,963.59	56,240.58	60,785.97
<b>GDP</b>	<b>168,753.30</b>	<b>176,672.95</b>	<b>192,647.77</b>	<b>182,107.42</b>	<b>204,664.41</b>	<b>227,813.72</b>
	% of GDP					
Govt. Savings	3.66	1.15	-0.32	-2.63	-3.60	-3.10
Private Savings	27.54	29.22	32.99	25.79	27.48	26.68
<b>Gross National Saving</b>	<b>31.21</b>	<b>30.37</b>	<b>32.67</b>	<b>23.16</b>	<b>23.88</b>	<b>23.59</b>

points. Accelerated growth in investment coupled with a drop in the rate of increase in national savings in the economy has resulted in a decline in the saving-investment (SI) ratio to 0.53 in 2022, in comparison to 0.62 in 2021.

This indicates that in 2022, national savings were able to finance 53 percent of domestic investment which is a percentage point higher than 2021.



# Gross Domestic Product by Broad Economic Sectors

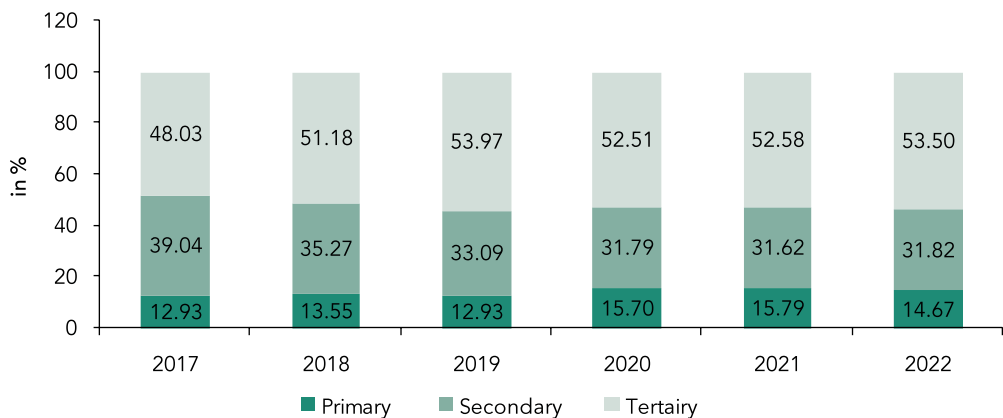
The GDP by production is composed of three main sectors: primary, secondary, and services, which also includes taxes on products. The agriculture sector encompasses activities such as growing crops, rearing livestock and forestry. The industry sector includes mining and quarrying, manufacturing, construction, electricity supply, water supply, sewerage, and waste management activities.

The services sector encompasses a wide range of activities, including wholesale and retail trade and repairs,

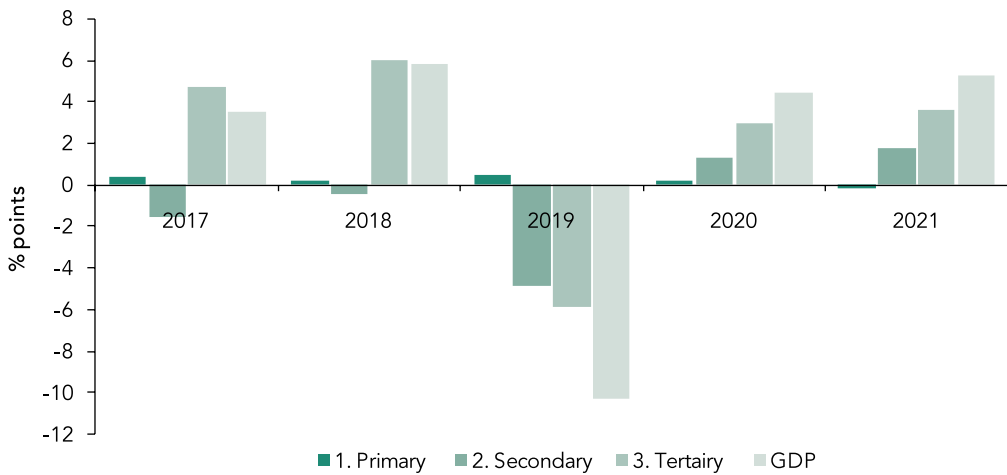
transport and storage, accommodation and food services, information and communication, financial and insurance activities, real estate activities, professional, administrative, and support services, public administration, education, human health and social work, arts, entertainment and recreation, other services, as well as taxes less subsidies on products.

In terms of contribution to GDP, the services sector is the leading contributor, accounting for 53.50 percent in 2022, followed by the industry sector at 31.82

**Figure 3.1 Structure of the Economy, 2017 - 2022**



**Figure 3.2** GDP growth contribution by major economic sectors and GDP growth rates



**Table 3.1** GDP by major sector and its share, 2017 - 2022

Year	2017	2018	2019	2020	2021	2022
Million Nu						
1. Primary	21,819.45	23,940.81	24,916.97	28,596.47	32,326.30	33,422.58
2. Secondary	65,879.40	62,304.09	63,754.67	57,893.73	64,721.58	72,501.36
3. Tertiary	81,054.45	90,428.05	103,976.13	95,617.23	107,616.53	121,889.78
<b>GDP</b>	<b>168,753.30</b>	<b>176,672.95</b>	<b>192,647.77</b>	<b>182,107.42</b>	<b>204,664.41</b>	<b>227,813.72</b>
In %						
1. Primary	12.93	13.55	12.93	15.70	15.79	14.67
2. Secondary	39.04	35.27	33.09	31.79	31.62	31.82
3. Tertiary	48.03	51.18	53.97	52.51	52.58	53.50
<b>GDP</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

percent, and the agriculture sector at 14.67 percent, respectively.

In 2022, the Gross Value Added (GVA) for the primary sector (which includes Agriculture, Livestock, and Forestry) experienced a decline of -1.15 percent as against the growth of 1.42 percent

in 2021 marking its first decline. The secondary sector on the other hand saw a growth of 5.60 percent in 2022, which is a significant increase from the 3.94 percent growth observed in 2021. Similarly, the services sector witnessed growth of 6.62 percent in 2022, a

significant improvement from the growth rate of 5.51 percent in 2021.

### 3.1 Primary Sector (Agriculture, Livestock, and Forestry)

In 2022, the primary sector experienced a decline in growth for the first time, marking a decrease of -1.15 percent. This represents a drop of 2.57 percentage points from the growth rate of 1.42 percent recorded in 2021. This decline in growth is primarily attributed to the crop cultivation sector. Additionally, the growth rate of the livestock sub-sector decelerated compared to the previous year. The primary sector's contribution to the GDP growth in 2022 was -0.16 percentage points.

In nominal terms, the Gross Value Added (GVA) of the primary sector was recorded at Nu 33,422.58 million in 2022 as compared to Nu 32,326.30 million in 2021. The sector's share of the economy stood at 14.67 percent.

### 3.2 Secondary Sector (Industry)

The secondary sector exhibited a growth rate of 5.60 percent in 2022, which is higher than the growth rate of 3.94 percent in the previous year by 1.65 percentage points. Furthermore, the sector's contribution to GDP growth was estimated at 1.79 percentage points.

Among the sub-sectors, it was primarily the Construction and Manufacturing sub-sectors that largely contributed to overall growth of the sector.

The total Gross Value Added (GVA) for the secondary sector was estimated at Nu 72,501.36 million. The share of the secondary sector in the economy was estimated at 31.82 percent in 2022, slightly higher than the 31.62 percent share observed in 2021, indicating a marginal increase of 0.20 percentage points.

### 3.3 Tertiary Sector

The service sector with a share of 53.50 percent of GDP, recorded a GVA of Nu 121,889.78 million in 2022. The share of the sector increased by 0.92 percentage points from 52.58 percent in 2021.

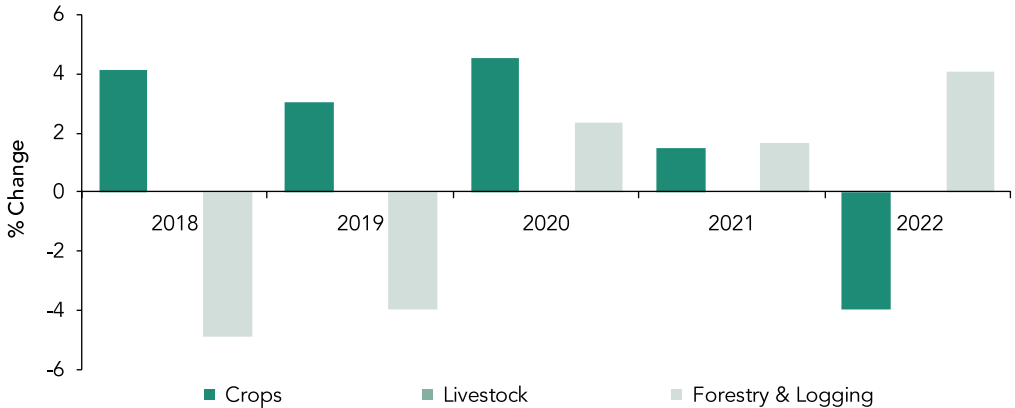
The sector experienced a growth of 6.62 percent in 2022, up from 5.51 percent in the previous year, marking an increase of 1.11 percentage points. This consecutive growth improvement is noteworthy, especially given the negative growth observed in the sector in 2020. The service sector made a substantial contribution to overall GDP growth, accounting for 3.58 percentage points in 2022.

All sub-sectors within the service sector recorded positive growth. Some of the sectors that experienced the highest increases in growth include hotel & restaurant, wholesale & retail trade, and information and communication sector were some of the sectors. This indicates a vibrant performance within various segments of the service sector, contributing to the sector's overall growth and its significant role in the economy.

# Gross Domestic Product by Industry

## 4.1 Agriculture

**Figure 4.1** Growth rates of Agriculture Sector, 2017 - 2022



### 4.1.1 Crops

Crops registered a negative growth rate of 4.00 percent in 2022, as compared to a growth rate of 1.46 percent in 2021. This drop of 5.46 percentage points from the previous year is a significant decrease in its growth momentum.

The sector contributed a value addition of Nu 15,521.92 million in 2022,

slightly lower than the value of Nu 15,723.07 million in 2021. It accounts for approximately 6.81 percent of the Gross Domestic Product (GDP), highlighting its importance in the economy. The negative growth observed in 2022 exhibits potential challenges or changes within the growing of crops during that period.



**Table 4.1 Livestock Population and Growth Rates**

	2017	2018	2019	2020	2021	2022
	Numbers					
Local Cattle	235,375	239,969	181,195	160,200	170,043	158,834
Improved	109,530	118,937	121,333	120,641	126,133	118,549
Yak	50,334	51,044	51,822	51,581	49,803	47,133
Buffalo	550	550	475	398	385	376
Horses	18,211	17,103	16,792	14,649	12,418	11,665
Pigs	18,815	24,342	20,070	17,577	22,954	33,082
Sheep	10,444	10,858	11,466	10,793	10,694	10,024
Goat	42,689	52,227	47,735	44,119	59,577	56,004
Poultry	1,118,170	1,144,746	1,299,810	1,383,714	1,384,449	1,165,775
	% change					
Local Cattle	-3.08	1.95	-24.49	-11.59	6.14	-6.59
Improved	8.20	8.59	2.01	-0.57	4.55	-6.01
Yak	1.45	1.41	1.52	-0.47	-3.45	-5.36
Buffalo	3.38	0.00	-13.64	-16.21	-3.27	-2.34
Horses	-3.59	-6.08	-1.82	-12.76	-15.23	-6.06
Pigs	22.78	29.38	-17.55	-12.42	30.59	44.12
Sheep	-7.39	3.96	5.60	-5.87	-0.92	-6.27
Goat	8.04	22.34	-8.60	-7.58	35.04	-6.00
Poultry	7.67	2.38	13.55	6.46	0.05	-15.80

### 4.1.2 Livestock

In the livestock sector, a growth rate of 0.31 percent was recorded in 2022, representing a decrease of 0.96 percentage points as compared to the growth rate of 1.28 percent observed in 2021. The contribution of the livestock sector to GDP growth in 2022 was 0.02 percentage points, down from 0.07 percentage points in the previous year.

At current prices, the Gross Value Added (GVA) for the livestock sector in 2022 was estimated at Nu 12,025.59 million, representing an increase of Nu 752.44 million compared to the previous year.

The sector's share of GDP stood at 5.28 percent, indicating its significance within the overall economy.

### 4.1.3 Forestry and Logging

Forestry and Logging has consistently maintained steady growth over the past three years, achieving a growth rate of 4.07 percent in 2022, up from 1.65 percent in the previous year. This 2.42 percentage points growth increase from 2021 indicates a notable expansion in the sector. The sector contributed 0.09 percentage points to the overall GDP growth in 2022.

The Gross Value Added (GVA) for Forestry and Logging in 2022 was estimated at Nu 5,875.06 million. Despite the sector's higher growth compared to the previous year, its share of GDP stood at 2.58 percent in 2022, reflecting a marginal drop of 0.03 percentage points in its contribution to the overall GDP.

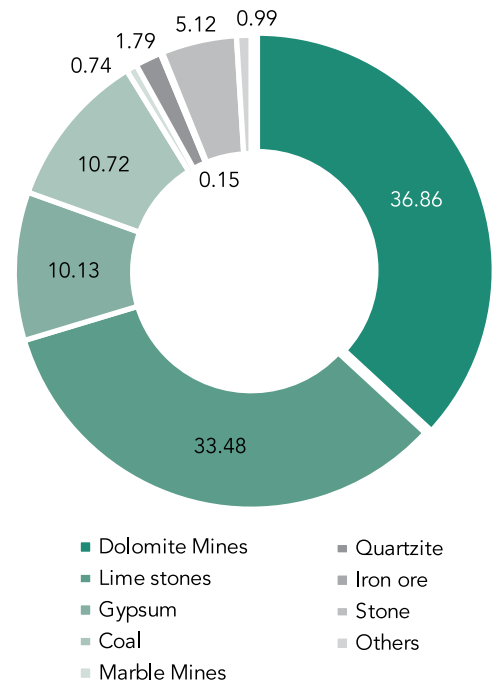
## 4.2 Mining and Quarrying

In 2022, the Mining and Quarrying experienced a return to negative growth, recording a decline of -3.02 percent after a significant rebound of 54.95 percent in the previous year. This is a decline of 57.98 percentage points from the growth observed in 2021 indicates a significant contraction of the sector.

It may be noted that the sector faced one of its worst growths in 2020, with a negative growth rate of -67.68 percent. The negative growth in the sector was attributed to a decline in the extraction of minerals such as limestone, gypsum, marble, and iron ore. The Mining and Quarrying share to GDP also decreased, dropping from 1.89 percent in 2021 to 1.79 percent in 2022, marking a decline of 0.10 percentage points.

The Gross Value Added (GVA) in current prices for the Mining and Quarrying was estimated at Nu 4,080.76 million in 2022.

**Figure 4.2** Composition of Minerals Production, 2022 (In %)

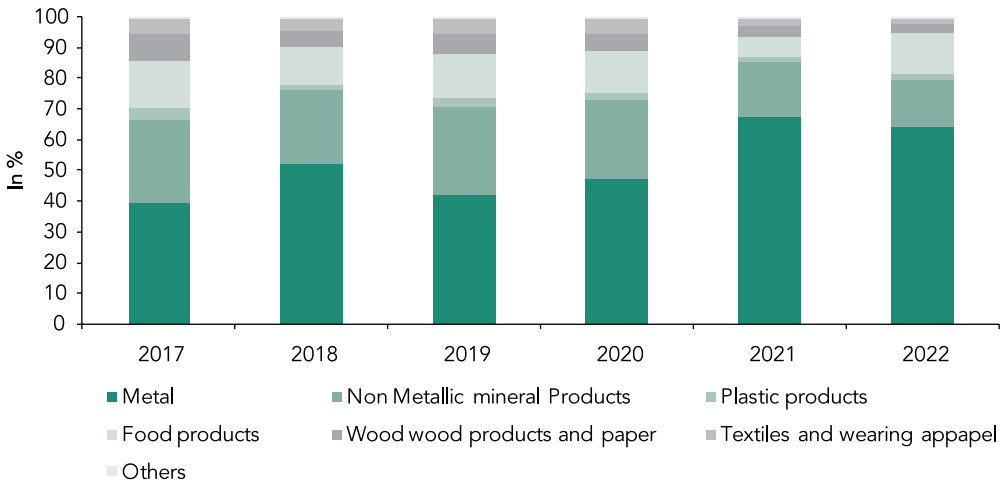


This highlights the challenges faced by the sector during the given period.

## 4.3 Manufacturing

In 2022, the Manufacturing industry registered robust growth, expanding at a growth rate of 6.73 percent. This acceleration followed a previous expansion of 4.19 percent in 2021, marking an increase of 2.54 percentage points compared to the previous year. The sector's contribution to GDP growth, accounted for only around

**Figure 4.3** Composition of Manufacturing Sector GVA 2017 - 2022



0.36 percentage points. Within the manufacturing sector, the metal and non-metallic mineral industries were the primary drivers of growth, closely followed by the chemical and plastic product industries.

The Gross Value Added (GVA) of the Manufacturing sector in current prices for 2022 is estimated at Nu 19,881.51 million, up from Nu 14,785.33 million in 2021. This growth led to an increase in the sector’s share of GDP to 8.73 percent, reflecting a 1.50 percent rise from its share of 7.22 percent in 2021.

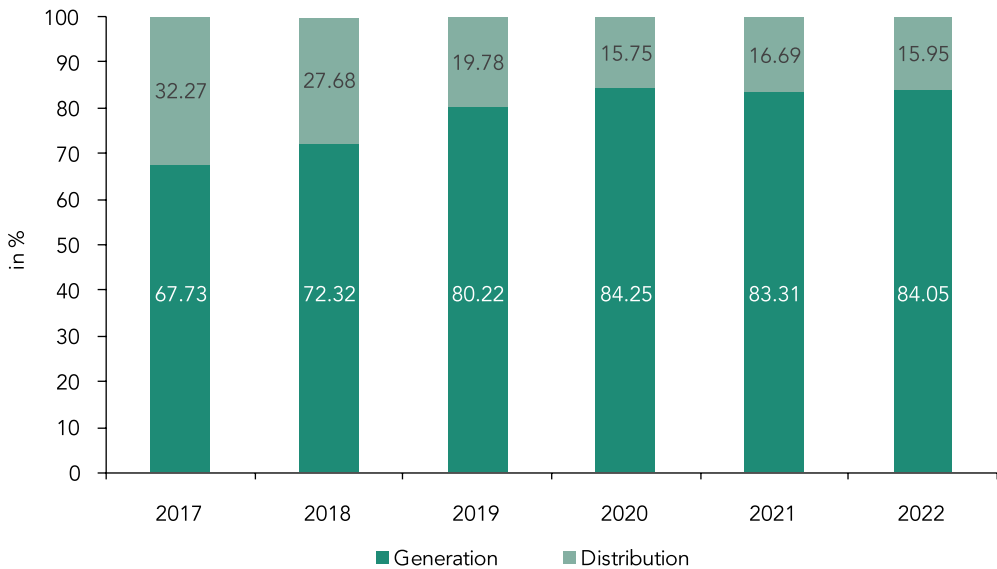
#### 4.4 Electricity

After a significant growth of 25.42 percent in 2020 the electricity sector

experienced consecutive years of contraction. It experienced a negative growth of -1.14 percent in 2022, following a negative growth of -3.64 percent in 2021. The decline in the sector’s growth can be attributed primarily to a reduction in the output of distribution and transmission during the year.

The sector consists of two main components: electricity generation and transmission & distribution. Within this sector, electricity generation accounted for 84.05 percent, while distribution & transmission accounted for 15.95 percent of the Electricity sector’s Gross Value Added (GVA).

Electricity distribution and transmission experienced a decrease in growth

**Figure 4.4 Composition of Electricity Sector GVA, 2017 - 2022**

by -6.61 percent, marking a decline of 7.96 percentage points from the previous year's growth. On the other hand, electricity generation witnessed a marginal increase in growth by 0.29 percent. This growth contrasts with last year's decline of -4.86 percent, showing an increase of 5.15 percentage points.

The Gross Value Added (GVA) of the sector is estimated at Nu 30,536.15 million in 2022 resulting in a decrease of Nu 384.40 million compared to the GVA of Nu 30,920.55 million in 2021. The sector's contribution to the Gross Domestic Product (GDP) stood at 13.40 percent.

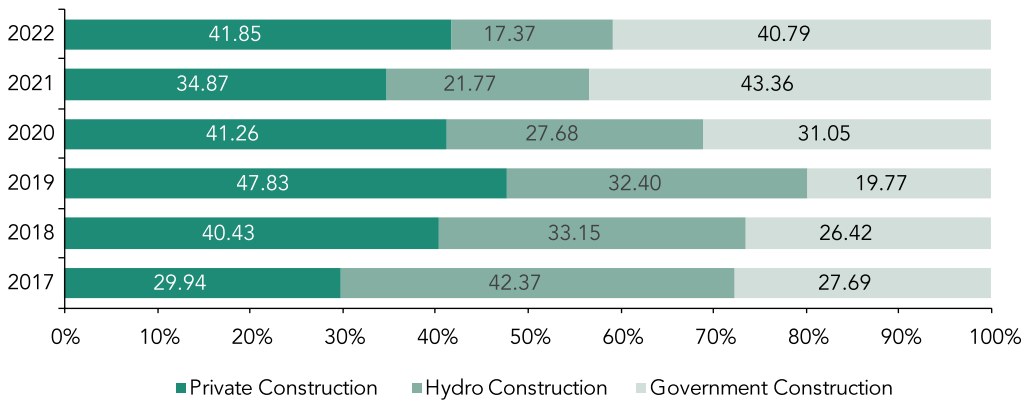
## 4.5 Water Supply

Water supply activities' Gross Value Added (GVA) grew by 6.00 percent in 2022 compared to a growth of 11.38 percent in 2021, down by 5.38 percentage points compared to the previous year. The GVA for the water supply sector was estimated at Nu 58.05 million during the same year, contributing only 0.03 percent to GDP in 2022.

## 4.6 Construction

The construction sector recorded a growth of 16.45 percent in 2022, as compared 7.07 percent growth in the previous year. This was an increase of

**Figure 4.5 Composition of Construction GVA, 2017 - 2022**



9.38 percentage points. The construction sector continues to be one of the key sectors of the economy. The sector’s contribution to the GDP growth was 1.67 percentage points, and in 2021 the sector contributed 0.70 percentage points to the economic growth.

The Construction Sector consists of Government Construction, Hydro construction and Private construction (private and public corporations), while government construction accounted for 40.79 percent, the private and public corporations’ construction accounted for 41.85 percent, and hydro construction 17.37 of the sector’s GVA in 2022.

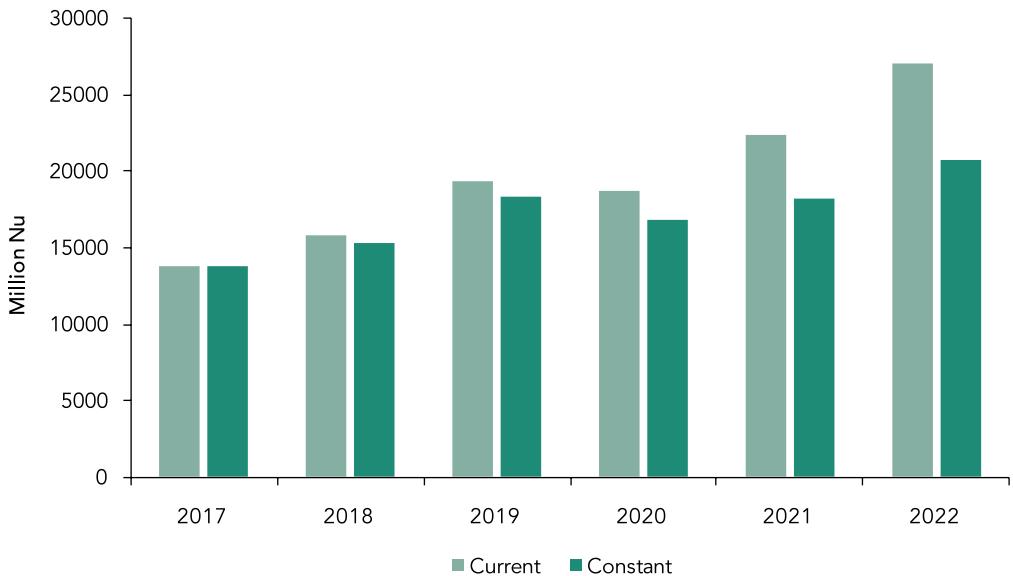
The sector constituted 7.88 percent of the GDP in 2022, of which 3.37 percent share was from the private and public corporations and 3.46 percent share

was from the government, and 1.44 was from the hydro construction. The sectors recorded an increase in the share of GDP by 0.51 percentage points in 2022 from the 7.37 percent share recorded in 2021.

The gross value added of the sector for the year 2022 was Nu 17,744.89 million compared to the Nu 15,082.90 million in 2021.

### 4.7 Wholesale and Retail Trade

The Wholesale and Retail Trade which encompasses trade and repair of motor vehicles, motorcycles, and personal, and household appliances, experienced a growth acceleration from 8.36 percent in 2021 to 14.35 percent in 2022. This has led to an increase of 5.99 percentage points in growth rate. The sector made a notable contribution of 1.50 percentage points to the overall GDP growth in 2022.

**Figure 4.6 Wholesale and Retail Trade GVA in Current and Constant Prices, 2017 - 2022**

Within the Wholesale and Retail Trade sector, the sub-sector of wholesale and retail trade recorded a growth rate of 14.73 percent, an increase of 6.43 percentage points from the growth rate of 8.30 percent observed in 2021. This sub-sector contributed to about 97 percent of the Gross Value Added (GVA) within the sector and it was the main driver of the sector's growth.

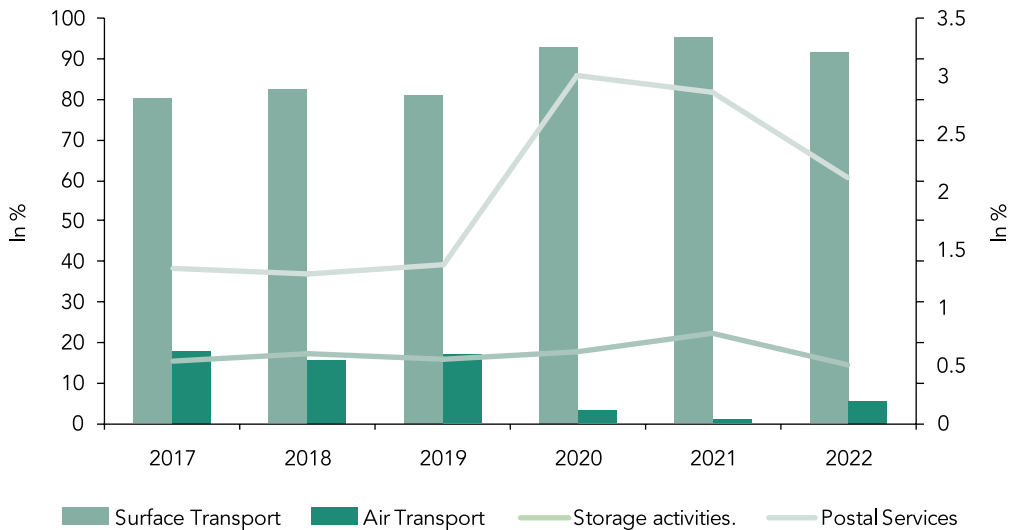
In contrast, the repair of motor vehicles, motorcycles, personal, and household appliances sub-sector accounted for approximately 3 percent of the sector and experienced a growth rate of 4.93 percent in 2022, down from a growth rate

of 6.76 percent in 2021, representing a decrease of 1.83 percentage points in 2022. The Gross Value Added (GVA) of the Wholesale and Retail Trade sector for the year was estimated at Nu 27,007.15 million, contributing to 11.85 percent of the economy.

#### 4.8 Transportation and Storage Activities

The transportation industry includes passenger land transport, air transport, warehousing and support services for transportation, and postal & courier activities. The GVA for transportation services increased by 4.70 percent in

**Figure 4.7 GVA composition of Transport Sector, 2017 - 2022**



2022 compared to the growth of 0.64 percent in 2021 contributing 6.93 percent to GDP. The main contributors to the growth were land transport followed by air transport.

In terms of contribution to total transport and storage; land transport had the largest share of 91.66 percent followed by air transport with 5.55 percent and Warehousing & support services for transportation with 0.49 percent in 2022.

### 4.9 Hotel and Restaurant

The Gross Value Added (GVA) for hotel and restaurant services experienced a substantial growth of 31.58 percent in 2022, a significant increase compared to

the 2.87 percent growth registered in the previous year (2021). It contributed 0.27 percentage points to the GDP growth.

In terms of current prices, the GVA for the year 2022 was estimated at Nu 2,677.44 million, a notable increase from the Nu 1952.43 million recorded in the previous year. The sector’s share in GDP also grew, accounting for 1.18 percent of the economy’s output. This share increased by 0.22 percentage points from the previous year, indicating the sector’s expansion.

### 4.10 Information and Communication Activities

The information and communication activities include the computer

programming, consultancy and related activities, telecommunication, and publishing, motion picture sound recording, and broadcasting activities

The GVA for information and communication activities exhibited a growth of 14.45 percent in 2022, following a substantial increase of 29.56 percent recorded in the previous year. This sector contributed 0.65 percentage points to the GDP growth.

The primary driver of this growth was the telecommunication sub-sector, which expanded by 14.61 percent. This sub-sector's contribution to GDP was notable, accounting for 3.66 percent of the GDP.

#### 4.11 Finance and Insurance

The GVA of the Finance and Insurance in 2022 increased to Nu 11,908.24 million from Nu 11,433.54 million in 2021. However, the sector's share of GDP decreased to 5.23 percent in 2022, compared to 5.59 percent in the previous year, reflecting a drop of 0.36 percentage points. Although the sector experienced slower by 9.57 percentage points compared to the growth of 10.69 percent observed in 2021, however, in terms of real growth, the sector experienced an increase of 1.12 percent.

The growth was primarily driven by better outcomes in financial intermediation services, particularly within the banking sector, as compared to the performance of the non-banking sector. The sector's contribution to GDP growth in 2022 was 0.07 percentage points.

#### 4.12 Real Estate and Dwellings

The real estate and dwellings sector encompasses activities involving the sale, purchase, and rental of real estate properties. This includes services provided by agents or brokers who facilitate these transactions. The sector also covers activities related to owner-occupied dwellings.

In 2022, the GVA of real estate activities grew by 2.61 percent, which is slightly lower than the growth rate of 3.74 percent recorded in 2021. The sector contributed 0.10 percentage points to the overall GDP growth. This growth was primarily driven by the strong performance in real estate activities related to rental or leased properties. However, the growth in owner-occupied or imputed rental properties registered a modest increase of less than one percent.

The GVA of the real estate and dwellings sector was estimated at Nu 8,137.50 million in 2022, accounting for 3.57



percent of the GDP. Its share to GDP dropped by 0.06 percentage points compared to the previous year.

### 4.13 Professional, Administrative, and Support Services

The professional, administrative, and support service activities encompass a range of services including consultancy, legal firms, travel agencies, and hiring agency activities. In 2022, the GVA of these activities experienced a significant growth of 13.99 percent, marking a substantial increase of 15.34 percentage points compared to the previous year. This improved performance in 2022 attributed to the better performance of professional services, particularly consultancy services activities.

The GVA for these activities was estimated at Nu 4,102.72 million in 2022, up from Nu 3,374.97 million in 2021. This sector's contribution to the overall GDP was 1.80 percent.

### 4.14 Public Administration and Defense

The growth of public administration and defense services decelerated to 1.51 percent in 2022, which is a decrease of 2.28 percentage points compared to the growth of 3.80 percent observed in 2021. The sector's contribution to GDP growth

in 2022 was 0.17 percentage points which is lower than the contribution of 0.42 percentage points in 2021.

In terms of current prices, the Gross Value Added (GVA) of the public administration and defense services sector was estimated at Nu 24,928.90 million in 2022, indicating an increase of 6.79 percent from Nu 23,343.11 million in 2021. The sector's share of GDP was estimated at 10.94 percent in 2022, compared to 11.41 percent in 2021, representing a decrease of 0.50 percentage points.

### 4.15 Education

The education activities encompass both public and private education at all levels and for all professions. In 2022, the Gross Value Added (GVA) for education activities experienced a growth of 0.12 percent, which represents an increase of 1.13 percentage points compared to the previous year. The sector's contribution to GDP growth in 2022 was 0.01 percentage points.

In terms of GVA, the education sector recorded Nu 10,697.77 million in 2022, reflecting an increase of 4.91 percent in current prices. The sector's contribution to GDP was estimated at 4.70 percent in 2022, which is a decrease of 0.29

percentage points compared to the preceding year.

#### 4.16 Human Health and Social Work

The GVA of health and social work activities in current prices was estimated at Nu 3,862.36 million in 2022. The sector's share of the economy was 1.70 percent, representing a decrease of 0.08 percentage points compared to the share of 1.77 percent in 2021.

The health and social work activities experienced a growth of 2.64 percent in 2022 compared to the previous year, which marked an increase of 4.99 percentage points. The sector's contribution to GDP growth was recorded at 0.04 percentage points in 2022.

#### 4.17 Art, Entertainment, Recreation, and Other Services

This activity encompasses a variety of activities that cater to the cultural, entertainment, and recreational interests of the general public. These activities include live performances, operating museum sites, gambling, sports, and recreation activities.

In 2022, the GVA of the sector was estimated at Nu 622.55 million, a significant increase from Nu 318.92

million in the previous year. The sector's share of GDP rose to 0.27 percent, up from 0.16 percent in 2021.

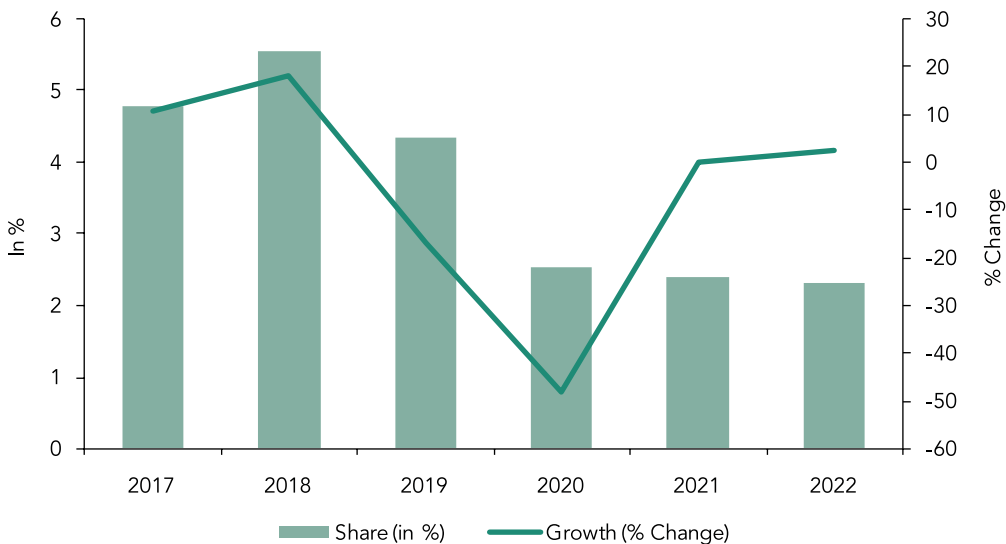
The sector experienced a substantial growth of 89.85 percent compared to the previous year. This significant growth was due relaxation of COVID-19 measures and the resumption of entertainment activities. The sector's contribution to GDP growth was 0.16 percentage points in 2022.

#### 4.18 Taxes Net of Subsidies on Products

The category of Taxes on Products includes various types of taxes such as sales tax, import duties, and domestic excise. On the other hand, subsidies refer to government grants given to non-financial institutions.

In 2022, Taxes on Products (indirect taxes) Net of Subsidies rebounded to positive growth following three consecutive years of negative growth. It recorded a growth of 2.32 percent, which marked an increase of 2.61 percentage points compared to the previous year. This growth can be attributed to an increase in the collection of import duties and sales tax. The Taxes Net of Subsidies category contributed 0.05 percentage points to the overall GDP growth.

**Figure 4.8 Taxes Net of Subsidies growth rates and share to GDP**



In terms of current prices, the Taxes Net of Subsidies was estimated at Nu 5,256.64 million in 2022, accounting for 2.31 percent of the GDP. Its share dropped by 0.10 percentage points from the 2.40 percent observed in 2021.

# Gross Domestic Product by Expenditure

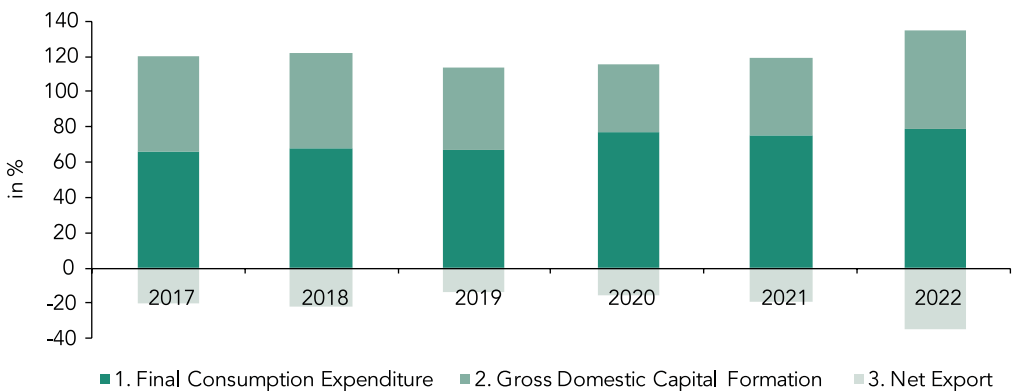
## 5.1 GDP by Expenditure

The GDP by expenditure/final demand approach focuses on the total demand for goods and services within an economy and covers three main economic aggregates viz. Final Consumption Expenditure (PCF), Gross Domestic Capital Formation (GDCF), and exports and imports.

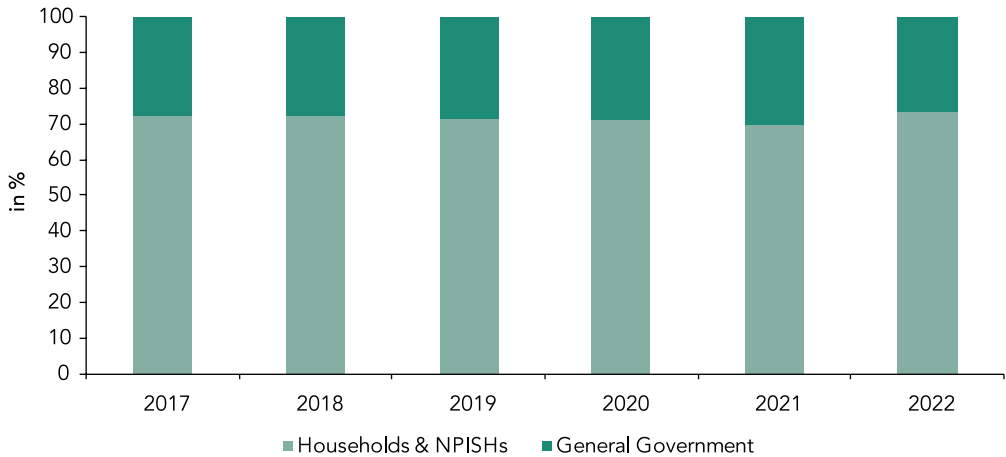
## 5.2 Final Consumption Expenditure (FCE)

The final consumption expenditure (FCE) recorded an increase of 3.10 percent in 2022 as compared to 0.17 percent in 2021, which is an increase of 2.92 percentage points. The FCE in nominal terms was recorded at Nu 178,988.77 million. Its share of GDP was recorded at 78.57 percent for the year.

**Figure 5.1** Composition of GDP by Expenditure, 2017 - 2022



**Figure 5.2 Composition of Final Consumption Expenditure, 2017 - 2022**



### 5.2.1 Household and NPISH Final Consumption Expenditure

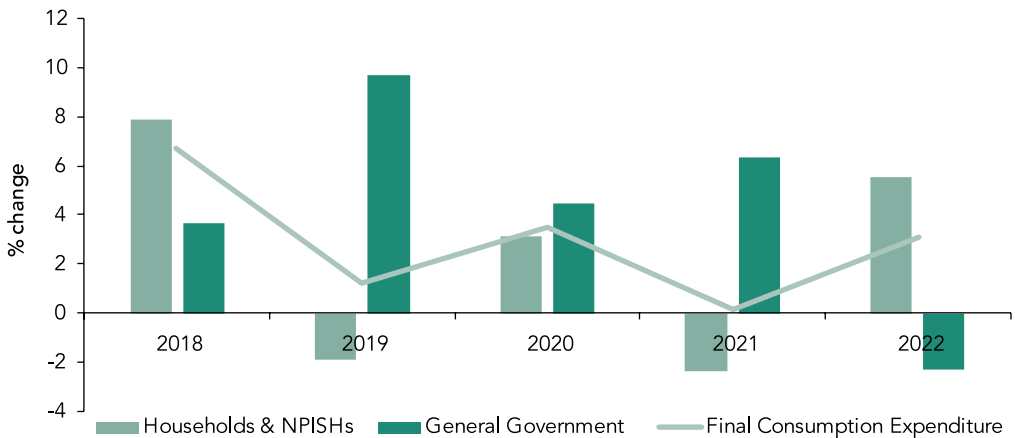
The private final consumption expenditure of households and NPISHs accounted for 73.25 percent of the final consumption expenditure in 2022. The private final consumption expenditure growth increased to 5.55 percent from a drop of -2.41 percent in 2021, marking an increase of 7.96 percentage points.

In terms of current prices, the private final consumption expenditure was estimated at Nu 131,108.41 million in 2022, and its share stood at 57.55 percent of GDP. The share of GDP increased by 5.43 percentage points compared to the previous year.

### 5.2.2 Government Final Consumption Expenditure

The government final consumption expenditure (GFCE) accounted for 26.75 percent of the total final consumption expenditure. This represents a drop in the share by 0.04 percentage points compared to the share of 30.31 percent in the preceding year. At current prices, GFCE was estimated at Nu 47,880.36 million in 2022. The share of GFCE to GDP was estimated at 21.02 percent in 2022, indicating a decrease of 1.66 percentage points from a share of 22.67 percent in the previous year.

The GFCE observed negative growth of -2.32 percent in 2022, in contrast

**Figure 5.3** Growth rates of Final Consumption, 2017 - 2022

to a growth of 6.37 percent in 2021, representing a decrease of 8.69 percentage points.

### 5.3 Gross Domestic Capital Formation (GDCF)

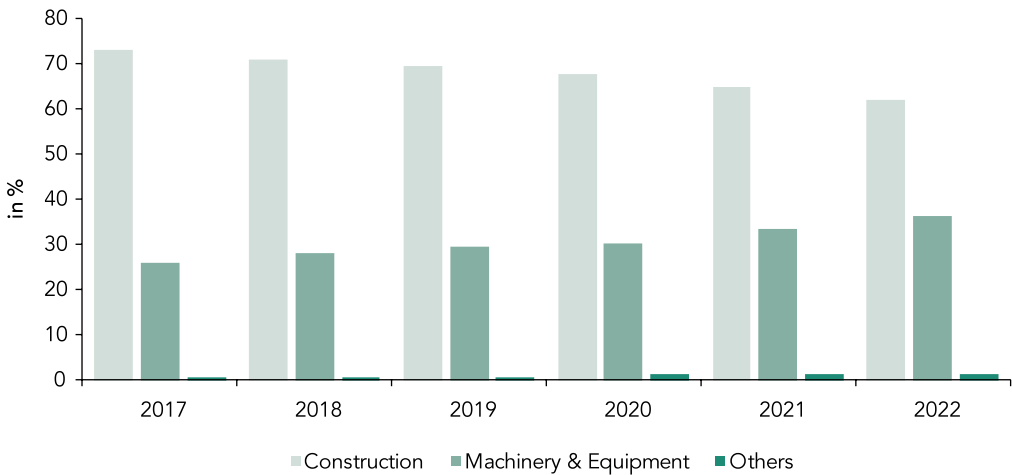
The GDCF growth rebounded to 19.96 percent in 2021, and to 28.84 percent in 2022 following three consecutive years of contraction in the preceding years. It is an increase of 8.88 percentage points compared to the previous year. As a result, the GDCF contributed 13.15 percentage points to the GDP growth in 2022, accounting for 55.78 percent of GDP.

Within the GDCF, the construction sector held a significant share of 41.09 percent

of the GDCF. This sub-sector recorded a growth of 17.84 percent in 2022, up from 19.96 percent in 2021, indicating an increase of 9.41 percentage points. The rise in construction investment was attributed to increased government expenditure on construction projects and the relaxation of pandemic protocols in the construction sector.

Investment in machinery and equipment also saw robust growth, with a 41.30 percent increase in 2022 compared to 36.38 percent in 2021. This represented an increase of 4.93 percentage points from the previous year.

**Figure 5.4 Composition of Gross Domestic Capital Formation, 2017 - 2022**



## 5.4 Export of Goods and Services

In 2022, the economy experienced a decline in the export of goods and services, with a contraction of -8.10 percent a decrease of 9.14 percentage points compared to the previous year. The export of goods experienced a negative growth of -8.34 percent as compared to previous year, and it constituted 96.79 percent of the total export. Conversely, the export of services had a smaller share of 3.21 percent in the export, and its contraction trend continued for three consecutive years, recording a -0.32 percent contraction in 2022.

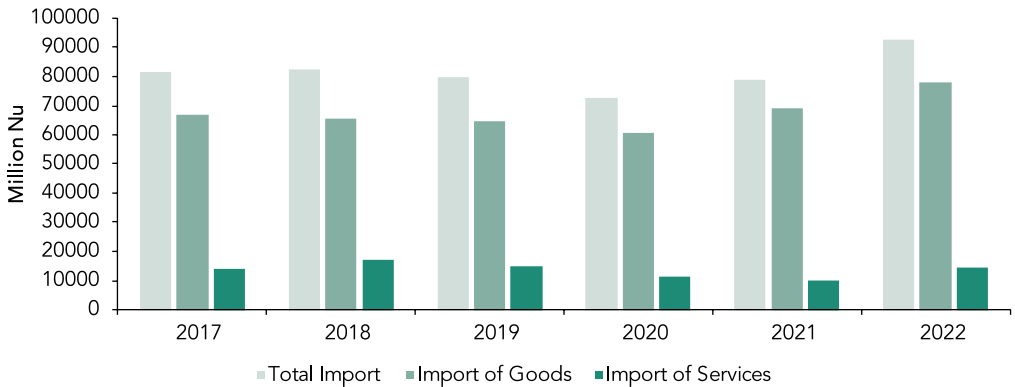
In terms of value, the total export of goods and services at current price was estimated to be Nu 58,756.92 million in

2022. This export value accounted for 25.79 percent of the GDP for the year, indicating a decline of 3.41 percentage points.

## 5.5 Import of Goods and Services

The total value of imports of goods and services at current prices was estimated at Nu 137,003.79 million in 2022, a notable increase from Nu 99,024.25 million from the previous year. This accounted for 60.14 percent of the GDP. Within the total import, goods accounted for a larger share with 84.32 percent, while services accounted for 15.68 percent.

The growth rate of imports of goods and services accelerated to 17.14 percent in 2022, showing an increase from the

**Figure 5.5** Export of Goods and Services, 2017 - 2022**Figure 5.6** Import of Goods and Services, 2017 - 2022

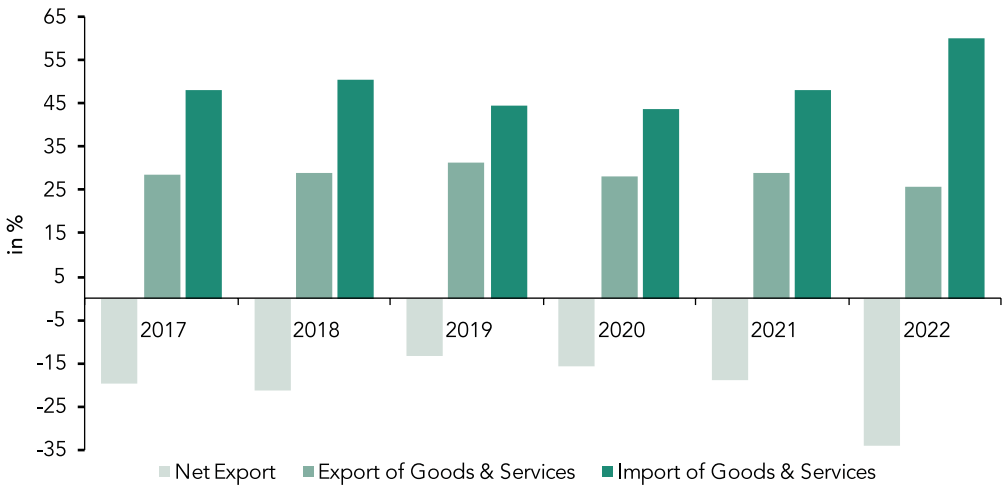
growth of 8.96 percent observed in 2021. This was an increase of 8.18 percentage points compared to the previous year. The import of goods witnessed a significant increase of 44.06 percent, while services import grew by only 5.21 percent compared to 2021.

## 5.6 Trade Balance

The economy experienced a trade deficit of Nu 78,246.88 million in 2022, marking a significant deficit increase of 99.28 percent from the deficit of Nu 39,264.80 million recorded in the previous year.



**Figure 5.7** Export, Import and Net Export as percentage of GDP, 2017 - 2022



This trade deficit accounted for 34.35 percent of the GDP.

When adjusted for inflation, the real trade deficit in 2022 grew by 58.54

percent compared to a trade deficit of 25.04 percent in 2021. This represented an increase of 33.49 percentage points in real terms.

# Sources of Information and Methodology

## 6.1 Agriculture

### 6.1.1 Agriculture crops

The data from the agriculture survey was used as a benchmark for compiling output estimates for crops. The annual agriculture survey has provided volume data on the output for major crops. BM estimates of output are extrapolated using output indicators to derive output estimates. Benchmark (BI) and Input-output (I/O) ratios are applied to output at constant prices to derive IC estimates at constant prices. The IC structure is based on the 2014 SUT. Weighted IC price indices are used as inflators to estimate IC at current prices and GVA is derived as a residual.

### 6.1.2 Livestock

The data from the livestock census 2018 surveys was used as a benchmark for compiling output estimates for livestock. The annual livestock census 2018 has provided volume data on the output

for livestock population and livestock produce. BM estimates of output are extrapolated using output indicators to derive output estimates. BM I/O ratios are applied to output at constant prices to derive IC estimates at constant prices. The IC structure is based on the 2014 SUT. Weighted IC price indices are used as inflators to estimate IC at current prices and GVA is derived as a residual.

### 6.1.3 Forestry

The data sources for estimating output and IC of the forestry industry are from reports of the Natural Resources Development Corporation (NRDCL), Annual Forestry Statistics published by the Department of Forest and Park Services, and the economic census. The benchmark estimates of the output of timber and firewood are extrapolated using the production volume of timber and firewood to obtain constant price estimates. Current price estimates are obtained using annual price data from

NRDCL annual report. The estimates for minor forestry products (non-wood forest product) is estimated as a percentage of noncommercial firewood output based on information available from the Department of Forest and Park Services. The benchmark year I/O ratios are used to obtain IC at constant prices. Current price IC is obtained by reflation using IC price indices and GVA is obtained as a residual.

## 6.2 Mining and Quarrying

Data sources for compiling output and IC are from the Department of Geology and Mines, financial statements of the State Mining Corporation, annual reports of NRDCL, and the economic census. Current price output estimates are compiled by using production and prices of mining and quarrying products. Constant price output estimates are compiled by extrapolation of the BM estimates using the production data as an output sourced from the Department of Geology and Mines as an indicator. The benchmark I/O ratios are used to derive the constant price IC and composite IC price indices are used to reflate these estimates to produce current price IC. GVA estimates are derived as residuals.

## 6.3 Manufacturing

The SUT benchmark estimates of the manufacturing industry are extrapolated using major industries' growth in sales, compiled from annual financial accounts. The output for a particular year is estimated using the sales growth for businesses adjusted for changes in inventory from the financial accounts of registered companies. The same samples for all successive years are maintained, however, new industries in operation during that year are added to the sample, and therefore the resultant growth rate represents actual sector growth and does not include the sampling difference. The constant price estimates of output are derived by deflation using product level producer price indices (PPI) manufacturing and IC estimates using the benchmark I/O ratio, with GVA derived as a residual. The current price IC estimates are derived by inflating using the detailed product level IC price indices and GVA is obtained as a residual.

## 6.4 Electricity

The GVA for the electricity sector is estimated as the sum of the GVA of the distributor and domestic generating companies selling electricity to the distributor and export. The requisite

data for electricity generation is obtained from the financial statement of generating companies and the financial statement of Bhutan power corporation which is a distributing and transmission company. Gross output is based on revenue from sales. The output of electricity is deflated by using the price index of electricity. IC is based on relevant expenditure components from the annual financial statement and deflated by an IC deflator. The data used to compute output and intermediate consumption of distributing companies is sourced from the annual financial statement of Bhutan power corporation. Gross output is derived as a margin (sale of electricity *less* cost of power purchased for resale) while IC is derived from the relevant expenditure components contained in the annual financial statement. Intermediate consumption at constant prices is computed by deflation using an IC deflator and GVA is obtained as a residual.

## 6.5 Construction

The Gross Output of private construction is determined using the commodity flow approach, primarily utilizing the supply of cement to the domestic economy by cement manufacturing plants. To calculate this, the total supply of

cement from all cement manufacturers is taken into account and to estimate its contribution to the construction sector, the material composition of construction was gathered from various construction companies. This information allowed the determination of the share of cement which is approximately 11.7 percent of the total material cost in construction.

The output of construction projects undertaken by the government was estimated based on the annual government expenditure statement. Hydropower construction projects were estimated separately, relying on construction progress reports provided by the project authorities.

The Input-Output (IC) ratio for the construction sector was derived from the economic census data. The construction output was deflated using a composite construction cost index, facilitating the derivation of constant price estimates. The Input-Output ratio from the economic census was applied to calculate IC at constant prices, and the construction Gross Value Added (GVA) is derived residually.

The current price estimates for Input-Output (IC) are obtained through a process of inflating, utilizing detailed product-level IC price indices. GVA is

also derived residually from this reflation process. This methodology ensures that both constant and current price estimates accurately reflect the dynamics of the construction sector's output and value-added.

## 6.6 Wholesale and Retail Trade

The output and IC estimates of wholesale and retail trade services for the benchmark year were compiled using EC data. The EC data provide information on sales and purchases of goods for resale. The output estimates at current prices for the non-benchmark years are compiled using sales tax data from the Department of Revenue and Customs. The volume estimates of output have been derived by deflating sales turnover derived from sales tax using relevant CPI. Fixed IO ratio is applied on the constant output to derive constant price intermediate consumption and GVA is derived residually, for both current and constant prices. The current price IC estimates are derived by reflation using the detailed product level IC price indices and GVA is obtained as a residual.

## 6.7 Transport and Storage

The output estimate for the land transport sector is estimated using records of the number of commercial vehicles. The

benchmark estimate is determined based on the number of commercial vehicles classified by type, combined with the average revenue earned by operators on a daily basis. To transform this estimate to constant prices, the calculated output is deflated using the Consumer Price Index (CPI) for transportation.

A fixed Input-Output (IO) ratio is then applied to the constant output in order to calculate constant price intermediate consumption. The Gross Value Added (GVA) is derived as a residual component to ensure accurate alignment with the overall economic picture. This same process is replicated for both constant and current price estimates.

For the Air Transport and postal services, financial accounts from the respective companies provide the foundational information for estimating gross output and intermediate consumption. The GVA in current prices is determined as the difference between the gross output and intermediate consumption (residual). In order to arrive at constant price estimates, both the output and intermediate consumption values are deflated using appropriate price deflators

## 6.8 Hotel and Restaurant

The output and IC estimates of

restaurant services for the benchmark year were compiled using EC data. The EC data provide information on sales and purchases of goods for resale. The output estimates at current prices for the non-benchmark years are compiled using sales tax data from the Department of Revenue and Customs. The volume estimates of output have been derived by deflating gross sales derived from sales tax using relevant CPI. Fixed IO ratio is applied on the constant output to derive constant price intermediate consumption and GVA is derived residually. for both current and constant price. The current price IC estimates are derived by reflation using the detailed product level IC price indices and GVA is obtained as a residual.

## 6.9 Communication

The Benchmark estimates for the communication industry are calculated using a combination of Economic Census (EC) data and companies' financial records. Specifically, benchmark estimates for the telecommunication sector are carried forward using the same set of accounts. Additionally, sectors such as computer programming, consultancy, and publishing activities rely on information obtained from business income tax records. The consistent use of these samples for successive years

ensures that the resulting growth rates accurately reflect genuine sectoral growth and do not incorporate any sampling variations.

To arrive at constant price estimates of output, the communication industry's output values are deflated using the Communication Price Index (CPI). Concurrently, Intermediate Consumption (IC) estimates are derived using the benchmark Input-Output (I/O) ratio. The Gross Value Added (GVA) is then calculated residually based on these values. For current price IC estimates, the detailed product-level I/O price indices are used for the reflation determination of GVA.

## 6.10 Finance and Insurance

The estimation of output in the banking sector involves a revision of FISIM (Financial Intermediation Services Indirectly Measured) based on the recommendations in SNA 2008. The value of FISIM is determined by applying the Minimum Lending Rate (MLR). The total FISIM output is then distributed among industries and households, based on the stocks of loans and deposits provided by the Royal Monetary Authority.

For constant price estimates of FISIM, the interest margins on loans and deposits

during the base period are applied to the stock of loans and deposits. This value is then deflated using the general Consumer Price Index (CPI). The current price of Intermediate Consumption (IC) is compiled from the income and balance sheets of banks, and these values are deflated using composite IC price indices. The Gross Value Added (GVA) estimates are derived residually through this process.

The estimation of output and IC for the insurance and pension sectors is sourced from the financial records of the respective companies.

### 6.11 Real Estate

The benchmark estimates for the real estate industry are generated through a combination of data from the Economic Census (EC) and the Bhutan Living Standard Survey 2017. These estimates are calculated using the compound growth rate of actual rental expenses and imputed rental between the years 2017 and 2022. The 2022 real estate data was sourced from the Bhutan Living Standard Survey 2022 (BLSS).

To obtain constant price estimates, the current price output of the real estate sector is deflated using the Consumer Price Index (CPI) for housing prices. An

Input-Output (IO) ratio of 17 percent is then applied to the Gross Output (GO) to derive constant price Intermediate Consumption (IC). This IO ratio is derived from the BLSS 2017 data, specifically focusing on the cost of repair and maintenance.

For the current price Intermediate Consumption estimates by reflation using detailed product level IC price indices and the Gross Value Added (GVA) is obtained residually.

### 6.12 Professional and Support Services

The benchmark output estimates for professional and support services activities are estimated using data from the Economic Census. These estimates are then extrapolated using the growth rates obtained from business income tax records of professional and support services. The same samples for successive years are maintained to ensure consistency, while new activities that come into operation during a given year are added to the sample. As a result, the growth rate obtained reflects the actual growth of the sector and doesn't include sampling differences.

To obtain constant price estimates, the current price output is deflated using

product-level Consumer Price Index (CPI) data. The Intermediate Consumption (IC) for these activities is estimated using the benchmark Input-Output (I/O) ratio. The Gross Value Added (GVA) is then derived residually.

For the current price Intermediate Consumption estimates, a deflation process is carried out using detailed product-level IC price indices, and the GVA is obtained residually.

### 6.13 Government

The gross output and intermediate consumption of Government sectors at the current price are estimated based on detailed government expenditure data. The Government expenditure report provides expenditure data at the item level classified by budget code. Based on this, the gross value added at the current price is obtained as the sum of compensation of employees for government, and depreciation. Constant prices are obtained by deflating GVA using appropriate CPI deflators. Current price IC is obtained as a sum of the cost of goods while constant prices are obtained by deflating current IC using detailed product-level IC price indices. Output is obtained as the sum of IC and GVA.

### 6.14 Education

The estimation of gross output and intermediate consumption for the government education sector in current prices relies on detailed government expenditure data on education. This data, categorized by budget code, is obtained from the Government expenditure report. The gross value added at current prices is calculated by summing up the compensation of employees for the government sector and depreciation expenses.

On the other hand, the benchmark estimates for private education are derived from economic census data, and benchmark estimates are extrapolated using business income tax data.

To obtain constant price estimates, the Gross Value Added (GVA) is deflated using appropriate Consumer Price Index (CPI) deflators. For the intermediate Consumption (IC) at the current price, the total is derived as the sum of the costs of goods for education. For constant price IC, the current IC is deflated using detailed product-level Intermediate Consumption price indices. The gross output is obtained as the sum of intermediate consumption and GVA.



## 6.15 Health

The estimation of gross output and intermediate consumption for the government health sector in current prices relies on detailed government expenditure data on health. This data, categorized by budget code, is obtained from the Government expenditure report. The gross value added at current prices is calculated by summing up the compensation of employees for the government sector and depreciation expenses of health.

On the other hand, the benchmark estimates for private health are derived from economic census data, and benchmark estimates are extrapolated using business income tax data.

To obtain constant price estimates of health, the Gross Value Added (GVA) is deflated using appropriate Consumer Price Index (CPI) deflators. For the Intermediate Consumption (IC) at the current price, the total is derived as the sum of costs of goods for the government health, and for the private health ratio obtained from the economic census is used. For constant price IC, the current IC is deflated using detailed product-level Intermediate Consumption price indices. The gross output is obtained as the sum of intermediate consumption and GVA.

## 6.16 Entertainment, Recreation, and Other Services

The benchmark estimates for entertainment, recreation, and other services are computed based on economic census data. The GO obtained from EC is deflated using Consumer Price Index (Recreation and Culture) to arrive at constant price output. The IO ratio derived from the economic census is applied to constant price GO to derive Constant price IC. The constant price IC is inflated using detailed product-level IC price indices to obtain current price IC., the value added is obtained residually.

The benchmark estimate of GO at the current price is extrapolated using business income tax data obtained from the Department of Revenue and Customs.

## STATISTICAL TABLES

**Table A1** National Accounts Aggregates

	2017	2018	2019	2020	2021	2022
	Million Nu					
<b>Gross Domestic Product at Current Prices</b>	168,753.30	176,672.95	192,647.77	182,107.42	204,664.41	227,813.72
<b>Net Income from Abroad</b>	(13,859.39)	(15,058.58)	(16,164.83)	(10,585.46)	(11,576.27)	(11,834.75)
Income Received	1,971.31	2,459.02	2,412.69	1,841.83	1,514.68	2,602.10
Income Paid	15,830.70	17,517.60	18,577.53	12,427.29	13,090.95	14,436.85
<b>Gross National Income (GNI)</b>	154,893.91	161,614.37	176,482.94	171,521.95	193,088.14	215,978.96
<b>Net Current Transfers from Abroad</b>	8,685.88	12,410.85	14,120.53	11,001.40	11,527.71	11,370.85
Current Transfers Received	10,335.50	14,771.49	15,983.20	13,348.17	14,796.60	13,918.84
Current Transfers Paid	1,649.62	2,360.64	1,862.66	2,346.78	3,268.89	2,547.99
<b>Gross National Disposable Income (GNDI)</b>	163,579.79	174,025.22	190,603.47	182,523.35	204,615.85	227,349.81
<b>Final Consumption Expenditure</b>	110,917.86	118,979.98	129,311.26	139,546.20	153,081.55	178,988.77
Private Consumption Expenditure (PCE)	80,229.89	86,304.45	92,481.34	98,908.28	106,679.58	131,108.41
Govt. Consumption Expenditure (GCE)	30,687.96	32,675.53	36,829.91	40,637.92	46,401.98	47,880.36
<b>Gross Savings (S)</b>	52,661.93	55,045.24	61,292.21	42,977.15	51,534.30	48,361.04
<b>Net Capital Transfers</b>	7,657.98	9,888.37	9,785.64	9,033.56	9,584.30	7,874.70
Capital Transfers Received	7,657.98	9,888.37	9,785.64	9,033.56	9,584.30	7,874.70
Capital Transfers Paid						
<b>Gross Capital Formation (I)</b>	91,409.90	95,430.81	88,782.41	71,150.41	90,847.66	127,071.82
<b>Saving Investment ratio</b>	0.58	0.58	0.69	0.60	0.57	0.38
<b>Net Lending (+)/Net Borrowings (-)</b>	(31,089.98)	(30,497.20)	(17,704.56)	(19,139.70)	(29,729.07)	(70,836.08)

**Table A2 GDP by Economic Activity at Current Prices**

Sectors	2017	2018	2019	2020	2021	2022
	Million Nu					
Agriculture, Livestock & Forestry	21,819.45	23,940.81	24,916.97	28,596.47	32,326.30	33,422.58
Crops	10,106.78	10,784.59	11,778.44	13,629.83	15,723.07	15,521.92
Livestock	7,680.70	8,118.19	8,591.24	10,043.74	11,273.14	12,025.59
Forestry & Logging	4,031.97	5,038.03	4,547.29	4,922.89	5,330.08	5,875.06
Mining & Quarrying	6,101.84	4,089.73	4,935.30	2,467.12	3,878.05	4,080.76
Manufacturing	11,659.84	15,453.68	11,811.56	8,976.39	14,785.33	19,881.51
Electricity	21,573.29	18,601.43	23,579.07	32,224.01	30,920.55	30,536.15
Water Supply	38.35	42.58	46.12	49.17	54.76	58.05
Construction	26,506.08	24,116.68	23,382.62	14,177.04	15,082.90	17,944.89
Wholesale & Retail Trade	13,694.40	15,725.14	19,247.72	18,609.08	22,300.10	27,007.15
Transport, Storage	12,216.94	13,664.60	16,825.77	11,209.69	12,473.19	15,792.17
Hotels & Restaurants	4,038.93	4,736.26	5,451.39	1,739.23	1,952.43	2,677.44
Communication	3,844.17	4,279.46	4,868.16	5,529.41	6,241.76	6,896.53
Finance & Insurance	8,528.78	9,321.29	10,623.70	10,015.62	11,433.54	11,908.24
Real Estate & Dwellings	5,331.82	5,778.12	6,111.90	6,786.66	7,435.97	8,137.50
Professional, Administrative and Support Services	3,033.43	3,162.78	3,488.53	3,221.90	3,374.97	4,102.72
Public Administration and defense	14,421.71	14,591.96	16,922.48	20,673.25	23,343.11	24,928.90
Education	5,223.42	6,207.80	8,252.92	9,424.26	10,197.57	10,697.77
Human Health and social work Health	2,012.26	2,135.89	2,736.83	3,368.09	3,627.33	3,862.36
Entertainment, recreation and other services	621.93	985.07	1,076.59	443.06	318.92	622.55
<b>GDP at Basic Prices</b>	<b>160,666.63</b>	<b>166,833.28</b>	<b>184,277.64</b>	<b>177,510.46</b>	<b>199,746.78</b>	<b>222,557.26</b>
Taxes Net of Subsidies	8,086.67	9,839.68	8,370.13	4,596.96	4,917.63	5,256.46
<b>GDP at Market Prices</b>	<b>168,753.30</b>	<b>176,672.95</b>	<b>192,647.77</b>	<b>182,107.42</b>	<b>204,664.41</b>	<b>227,813.72</b>

**Table A3** Shares of GDP by Economic sectors in Current Prices

Sectors	2017	2018	2019	2020	2021	2022
	In %					
Agriculture, Livestock & Forestry	12.93	13.55	12.93	15.70	15.79	14.67
Crops	5.99	6.10	6.11	7.48	7.68	6.81
Livestock	4.55	4.60	4.46	5.52	5.51	5.28
Forestry & Logging	2.39	2.85	2.36	2.70	2.60	2.58
Mining & Quarrying	3.62	2.31	2.56	1.35	1.89	1.79
Manufacturing	6.91	8.75	6.13	4.93	7.22	8.73
Electricity	12.78	10.53	12.24	17.70	15.11	13.40
Water Supply	0.02	0.02	0.02	0.03	0.03	0.03
Construction	15.71	13.65	12.14	7.78	7.37	7.88
Wholesale & Retail Trade	8.12	8.90	9.99	10.22	10.90	11.85
Transport, Storage	7.24	7.73	8.73	6.16	6.09	6.93
Hotels & Restaurants	2.39	2.68	2.83	0.96	0.95	1.18
Communication	2.28	2.42	2.53	3.04	3.05	3.03
Finance & Insurance	5.05	5.28	5.51	5.50	5.59	5.23
Real Estate & Dwellings	3.16	3.27	3.17	3.73	3.63	3.57
Professional, Administrative and Support Services	1.80	1.79	1.81	1.77	1.65	1.80
Public Administration and defense	8.55	8.26	8.78	11.35	11.41	10.94
Education	3.10	3.51	4.28	5.18	4.98	4.70
Human Health and social work Health	1.19	1.21	1.42	1.85	1.77	1.70
Entertainment, recreation and other services	0.37	0.56	0.56	0.24	0.16	0.27
<b>GDP at Basic Prices</b>	<b>95.21</b>	<b>94.43</b>	<b>95.66</b>	<b>97.48</b>	<b>97.60</b>	<b>97.69</b>
Taxes Net of Subsidies	4.79	5.57	4.34	2.52	2.40	2.31
<b>GDP at Market Prices</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

**Table A4 GDP Growth by Economic Activity in Current Prices**

Sectors	2017	2018	2019	2020	2021	2022
	% change					
Agriculture, Livestock & Forestry		9.72	4.08	14.77	13.04	3.39
Crops		6.71	9.22	15.72	15.36	(1.28)
Livestock		5.70	5.83	16.91	12.24	6.67
Forestry & Logging		24.95	(9.74)	8.26	8.27	10.22
Mining & Quarrying		(32.98)	20.68	(50.01)	57.19	5.23
Manufacturing		32.54	(23.57)	(24.00)	64.71	34.47
Electricity		(13.78)	26.76	36.66	(4.05)	(1.24)
Water Supply		11.01	8.34	6.59	11.38	6.00
Construction		(9.01)	(3.04)	(39.37)	6.39	18.98
Wholesale & Retail Trade		14.83	22.40	(3.32)	19.83	21.11
Transport, Storage		11.85	23.13	(33.38)	11.27	26.61
Hotels & Restaurants		17.27	15.10	(68.10)	12.26	37.13
Communication		11.32	13.76	13.58	12.88	10.49
Finance & Insurance		9.29	13.97	(5.72)	14.16	4.15
Real Estate & Dwellings		8.37	5.78	11.04	9.57	9.43
Professional, Administrative and Support Services		4.26	10.30	(7.64)	4.75	21.56
Public Administration and defense		1.18	15.97	22.16	12.91	6.79
Education		18.85	32.94	14.19	8.21	4.91
Human Health and social work Health		6.14	28.14	23.07	7.70	6.48
Entertainment, recreation and other services		58.39	9.29	(58.85)	(28.02)	95.20
<b>GDP at Basic Prices</b>		<b>3.84</b>	<b>10.46</b>	<b>(3.67)</b>	<b>12.53</b>	<b>11.42</b>
Taxes Net of Subsidies		21.68	(14.93)	(45.08)	6.98	6.89
<b>GDP at Market Prices</b>		<b>4.69</b>	<b>9.04</b>	<b>(5.47)</b>	<b>12.39</b>	<b>11.31</b>

**Table A5 GDP by Economic Activity in Constant Prices**

Sectors	2017	2018	2019	2020	2021	2022
	Million Nu					
Agriculture, Livestock & Forestry	21,819.45	22,445.83	22,833.82	23,747.17	24,085.39	23,809.61
Crops New series	10,106.78	10,522.71	10,837.11	11,324.41	11,490.16	11,030.99
Livestock	7,680.70	8,088.00	8,314.61	8,654.08	8,764.54	8,792.13
Forestry & Logging	4,031.97	3,835.12	3,682.09	3,768.67	3,830.70	3,986.50
Mining & Quarrying	6,101.84	7,388.76	8,423.15	2,722.26	4,218.18	4,090.59
Manufacturing	11,659.84	11,974.69	11,674.86	8,835.93	9,205.96	9,825.25
Electricity	21,573.29	18,734.85	20,251.30	25,398.96	24,473.47	24,195.15
Water Supply	38.35	42.58	46.12	49.17	54.76	58.05
Construction	26,506.08	25,105.62	22,006.76	16,411.81	17,572.81	20,463.83
Wholesale & Retail Trade	13,694.40	15,269.48	18,301.73	16,704.03	18,100.62	20,698.63
Transport, Storage	12,216.94	14,328.77	16,655.14	11,747.98	11,822.80	12,378.73
Hotels & Restaurants	4,038.93	4,515.39	5,008.53	1,425.48	1,466.39	1,929.43
Communication	3,844.17	4,293.23	4,908.75	6,047.43	7,835.18	8,967.05
Finance & Insurance	8,528.78	9,174.20	10,106.56	9,368.11	10,369.39	10,485.56
Real Estate & Dwellings	5,331.82	5,643.64	5,874.52	6,171.21	6,402.03	6,568.93
Professional, Administrative and Support Services	3,033.43	3,123.34	3,374.50	3,077.60	3,036.14	3,461.00
Public Administration and defense	14,421.71	14,032.76	15,902.32	18,268.07	18,961.50	19,248.31
Education	5,223.42	6,032.34	7,812.01	8,402.53	8,318.04	8,328.00
Entertainment, recreation and other services	621.93	979.90	1,061.02	435.67	303.90	576.94
<b>GDP at Basic Prices</b>	<b>160,666.63</b>	<b>165,126.44</b>	<b>176,797.51</b>	<b>161,742.10</b>	<b>169,086.30</b>	<b>178,020.28</b>
Taxes Net of Subsidies	8,086.67	9,536.39	7,917.42	4,097.92	4,086.12	4,181.12
<b>GDP at Market Prices</b>	<b>168,753.30</b>	<b>174,662.82</b>	<b>184,714.93</b>	<b>165,840.02</b>	<b>173,172.42</b>	<b>182,201.40</b>

**Table A6 Sectoral Growth Rates in Constant Prices**

Sectors	2017	2018	2019	2020	2021	2022
	% change					
Agriculture, Livestock & Forestry		2.87	1.73	4.00	1.42	(1.15)
Crops New series		4.12	2.99	4.50	1.46	(4.00)
Livestock		5.30	2.80	4.08	1.28	0.31
Forestry & Logging		(4.88)	(3.99)	2.35	1.65	4.07
Mining & Quarrying		21.09	14.00	(67.68)	54.95	(3.02)
Manufacturing		2.70	(2.50)	(24.32)	4.19	6.73
Electricity		(13.16)	8.09	25.42	(3.64)	(1.14)
Water Supply		11.01	8.34	6.59	11.38	6.00
Construction		(5.28)	(12.34)	(25.42)	7.07	16.45
Wholesale & Retail Trade		11.50	19.86	(8.73)	8.36	14.35
Transport, Storage		17.29	16.24	(29.46)	0.64	4.70
Hotels & Restaurants		11.80	10.92	(71.54)	2.87	31.58
Communication		11.68	14.34	23.20	29.56	14.45
Finance & Insurance		7.57	10.16	(7.31)	10.69	1.12
Real Estate & Dwellings		5.85	4.09	5.05	3.74	2.61
Professional, Administrative and Support Services		2.96	8.04	(8.80)	(1.35)	13.99
Public Administration and defense		(2.70)	13.32	14.88	3.80	1.51
Education		15.49	29.50	7.56	(1.01)	0.12
Human Health and social work Health		1.43	25.25	14.56	(2.35)	2.64
Entertainment, recreation and other services		57.56	8.28	(58.94)	(30.25)	89.85
<b>GDP at Basic Prices</b>		<b>2.78</b>	<b>7.07</b>	<b>(8.52)</b>	<b>4.54</b>	<b>5.28</b>
Taxes Net of Subsidies		17.93	(16.98)	(48.24)	(0.29)	2.32
<b>GDP at Market Prices</b>		<b>3.50</b>	<b>5.76</b>	<b>(10.22)</b>	<b>4.42</b>	<b>5.21</b>

**Table A7 Sectoral Growth contribution**

Sectors	2017	2018	2019	2020	2021	2022
	% points					
Agriculture, Livestock & Forestry		0.37	0.22	0.49	0.20	(0.16)
Crops New series		0.25	0.18	0.26	0.10	(0.27)
Livestock		0.24	0.13	0.18	0.07	0.02
Forestry & Logging		(0.12)	(0.09)	0.05	0.04	0.09
Mining & Quarrying		0.76	0.59	(3.09)	0.90	(0.07)
Manufacturing		0.19	(0.17)	(1.54)	0.22	0.36
Electricity		(1.68)	0.87	2.79	(0.56)	(0.16)
Water Supply		0.00	0.00	0.00	0.00	0.00
Construction		(0.83)	(1.77)	(3.03)	0.70	1.67
Wholesale & Retail Trade		0.93	1.74	(0.86)	0.84	1.50
Transport, Storage		1.25	1.33	(2.66)	0.05	0.32
Hotels & Restaurants		0.28	0.28	(1.94)	0.02	0.27
Communication		0.27	0.35	0.62	1.08	0.65
Finance & Insurance		0.38	0.53	(0.40)	0.60	0.07
Real Estate & Dwellings		0.18	0.13	0.16	0.14	0.10
Professional, Administrative and Support Services		0.05	0.14	(0.16)	(0.02)	0.25
Public Administration and defense		(0.23)	1.07	1.28	0.42	0.17
Education		0.48	1.02	0.32	(0.05)	0.01
Human Health and social work Health		0.02	0.30	0.20	(0.04)	0.04
Entertainment, recreation and other services		0.21	0.05	(0.34)	(0.08)	0.16
<b>GDP at Basic Prices</b>		<b>2.64</b>	<b>6.68</b>	<b>(8.15)</b>	<b>4.43</b>	<b>5.16</b>
Taxes Net of Subsidies		0.86	(0.93)	(2.07)	(0.01)	0.05
<b>GDP at Market Prices</b>		<b>3.50</b>	<b>5.76</b>	<b>(10.22)</b>	<b>4.42</b>	<b>5.21</b>



**Table A8 GDP by Major Economic Sectors in Current Prices**

Year	2017	2018	2019	2020	2021	2022
	Million Nu					
Primary	21,819.45	23,940.81	24,916.97	28,596.47	32,326.30	33,422.58
Secondary	65,879.40	62,304.09	63,754.67	57,893.73	64,721.58	72,501.36
Tertiary	81,054.45	90,428.05	103,976.13	95,617.23	107,616.53	121,889.78
<b>GDP</b>	<b>168,753.30</b>	<b>176,672.95</b>	<b>192,647.77</b>	<b>182,107.42</b>	<b>204,664.41</b>	<b>227,813.72</b>
Year	2017	2018	2019	2020	2021	2022
	% change					
Year	2017	2018	2019	2020	2021	2022
Primary		9.72	4.08	14.77	13.04	3.39
Secondary		-5.43	2.33	-9.19	11.79	12.02
Tertiary		11.56	14.98	-8.04	12.55	13.26
<b>GDP</b>		<b>4.69</b>	<b>9.04</b>	<b>-5.47</b>	<b>12.39</b>	<b>11.31</b>
Year	2017	2018	2019	2020	2021	2022
	In %					
Year	2017	2018	2019	2020	2021	2022
Primary	12.93	13.55	12.93	15.70	15.79	14.67
Secondary	39.04	35.27	33.09	31.79	31.62	31.82
Tertiary	48.03	51.18	53.97	52.51	52.58	53.50
<b>GDP</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

**Table A9 GDP by Major Economic Sectors in Constant Prices**

Year	2017	2018	2019	2020	2021	2022
	Million Nu					
1. Primary	21,819.45	22,445.83	22,833.82	23,747.17	24,085.39	23,809.61
2. Secondary	65,879.40	63,246.49	62,402.19	53,418.13	55,525.19	58,632.87
3. Tertiary	81,054.45	88,970.51	99,478.92	88,674.73	93,561.84	99,758.92
<b>GDP</b>	<b>168,753.30</b>	<b>174,662.82</b>	<b>184,714.93</b>	<b>165,840.02</b>	<b>173,172.42</b>	<b>182,201.40</b>
Year	2017	2018	2019	2020	2021	2022
	% change					
Year	2017	2018	2019	2020	2021	2022
1. Primary		2.87	1.73	4.00	1.42	-1.15
2. Secondary		-4.00	-1.33	-14.40	3.94	5.60
3. Tertiary		9.77	11.81	-10.86	5.51	6.62
<b>GDP</b>		<b>3.50</b>	<b>5.76</b>	<b>-10.22</b>	<b>4.42</b>	<b>5.21</b>
Year	2017	2018	2019	2020	2021	2022
	In %					
Year		2018	2019	2020	2021	2022
1. Primary		0.37	0.22	0.49	0.20	-0.16
2. Secondary		-1.56	-0.48	-4.86	1.27	1.79
3. Tertiary		4.69	6.02	-5.85	2.95	3.58
<b>GDP</b>		<b>3.50</b>	<b>5.76</b>	<b>-10.22</b>	<b>4.42</b>	<b>5.21</b>

**Table A10** Gross Output by Economic Activity in Current Prices

Sectors	2017	2018	2019	2020	2021	2022
	Million Nu					
Agriculture, Livestock & Forestry	25,060.40	27,520.31	28,474.56	32,402.32	36,246.00	37,407.16
Crops New series	11,772.89	12,613.88	13,717.24	15,844.68	18,015.28	17,782.49
Livestock	9,171.18	9,737.33	10,058.91	11,450.21	12,756.64	13,589.65
Forestry & Logging	4,116.33	5,169.10	4,698.42	5,107.44	5,474.08	6,035.02
Mining & Quarrying	11,146.11	9,477.46	10,557.29	6,204.69	9,326.30	9,402.26
Manufacturing	35,159.18	39,686.07	36,069.40	28,985.76	36,693.21	43,765.83
Electricity	24,579.77	21,473.80	27,038.76	36,894.42	35,857.19	36,666.49
Water Supply	55.29	60.82	65.89	70.24	78.23	82.92
Construction	63,736.54	61,593.01	55,069.05	41,752.51	46,543.27	55,498.93
Wholesale & Retail Trade	16,907.10	19,091.77	23,398.92	22,619.94	26,794.63	32,496.66
Transport, Storage	22,057.85	25,796.57	29,011.95	20,868.29	22,373.46	26,796.25
Hotels & Restaurants	6,144.95	7,109.81	8,182.75	2,605.16	2,929.72	4,584.70
Communication	5,865.58	6,242.70	7,096.63	8,084.98	8,913.34	9,733.06
Finance & Insurance	10,058.84	10,646.10	11,920.06	11,352.46	12,973.04	13,838.80
Real Estate & Dwellings	6,601.17	7,022.00	7,515.55	8,127.82	8,868.80	9,619.77
Professional, Administrative and Support Services	3,852.52	4,716.41	4,468.41	1,737.20	1,464.36	5,170.54
Public Administration and defense	21,808.19	22,087.82	23,645.12	26,149.70	29,872.35	31,603.67
Education	6,671.49	7,719.16	9,855.72	10,942.20	12,863.57	12,865.49
Human Health and social work Health	3,386.79	3,797.41	4,597.21	5,194.23	5,676.40	5,558.98
Entertainment, recreation and other services	828.25	1,274.19	1,387.94	573.97	409.16	790.36
<b>Gross Output in Current Prices</b>	<b>263,920.00</b>	<b>275,315.43</b>	<b>288,355.21</b>	<b>264,565.89</b>	<b>297,883.02</b>	<b>335,881.87</b>

**Table A11** Gross Output by Economic Activity in Constant Prices

Sectors	2017	2018	2019	2020	2021	2022
	Million Nu					
Agriculture, Livestock & Forestry	25,060.40	25,894.56	26,195.39	27,187.70	27,505.59	27,147.06
Crops New series	11,772.89	12,273.04	12,663.58	13,307.23	13,460.18	12,912.92
Livestock	9,171.18	9,670.15	9,713.12	9,949.90	10,092.17	10,119.54
Forestry & Logging	4,116.33	3,951.37	3,818.69	3,930.57	3,953.24	4,114.61
Mining & Quarrying	11,146.11	12,822.17	13,885.06	6,282.24	9,251.04	8,569.03
Manufacturing	35,159.18	36,101.01	35,345.41	27,325.79	28,710.39	30,667.56
Electricity	24,579.77	21,654.50	23,896.07	30,103.41	29,452.08	30,394.08
Water Supply	55.29	60.82	65.89	70.24	78.23	82.92
Construction	63,736.54	60,323.75	53,202.91	39,804.08	42,594.75	49,748.63
Wholesale & Retail Trade	16,907.10	18,538.30	22,269.23	20,419.05	22,098.83	25,255.56
Transport, Storage	22,057.85	25,974.65	28,437.76	20,337.90	20,307.02	21,628.67
Hotels & Restaurants	6,144.95	6,775.92	7,539.28	2,160.59	2,221.34	3,344.09
Communication	5,865.58	6,237.68	7,074.57	8,551.57	10,463.94	11,595.18
Finance & Insurance	10,058.84	10,483.35	11,362.68	10,652.02	11,819.55	12,243.18
Real Estate & Dwellings	6,601.17	6,909.29	7,210.17	7,616.92	7,898.22	8,101.27
Professional, Administrative and Support Services	3,852.52	3,983.41	4,302.67	3,888.92	3,828.02	4,360.37
Public Administration and defense	21,808.19	21,502.11	22,407.20	23,460.02	24,965.58	25,002.58
Education	6,671.49	7,514.47	9,339.74	9,816.72	10,750.62	10,178.26
Human Health and social work Health	3,386.79	3,696.72	4,356.52	4,659.97	4,744.00	4,397.87
Entertainment, recreation and other services	828.25	1,268.82	1,377.52	569.01	396.71	752.86
<b>Gross Output at Constant Prices</b>	<b>263,920.00</b>	<b>269,741.51</b>	<b>278,268.08</b>	<b>242,906.13</b>	<b>257,085.91</b>	<b>273,469.16</b>

**Table A12 GDP by Expenditures in Current Prices**

Years	2017	2018	2019	2020	2021	2022
	Million Nu					
Final Consumption Expenditure	110,917.86	118,979.98	129,311.26	139,546.20	153,081.55	178,988.77
Households & NPISHs	80,229.89	86,304.45	92,481.34	98,908.28	106,679.58	131,108.41
General Government	30,687.96	32,675.53	36,829.91	40,637.92	46,401.98	47,880.36
Gross Domestic Capital Formation	91,409.90	95,430.81	88,782.41	71,150.41	90,847.66	127,071.82
Construction	59,127.86	57,061.15	50,651.10	38,873.79	43,907.11	52,212.64
Machinery & Equipment	31,579.93	37,295.11	37,034.68	30,774.90	45,142.63	71,712.76
Software and Database	864.84	346.86	546.28	591.11	981.53	1,617.48
Valuables	86.50	44.46	89.61	132.77	255.07	251.85
Changes in Inventories	(249.24)	683.23	460.74	777.84	561.33	1,277.10
Net Export	(33,574.46)	(37,737.84)	(25,445.90)	(28,589.19)	(39,264.80)	(78,246.88)
Export of Goods & Services	48,004.25	51,570.34	60,602.18	51,109.60	59,759.43	58,756.92
Export of Goods	37,297.00	41,413.00	48,121.99	48,255.00	57,991.00	56,871.00
Export of Services	10,707.25	10,157.34	12,480.19	2,854.60	1,768.43	1,885.92
Import of Goods & Services	81,578.71	89,308.18	86,048.08	79,698.79	99,024.23	137,003.79
Import of Goods	67,274.37	70,858.66	69,594.51	66,900.16	86,399.98	115,523.89
Import of Services	14,304.34	18,449.52	16,453.56	12,798.63	12,624.25	21,479.90
<b>GDP by Expenditure</b>	<b>168,753.30</b>	<b>176,672.95</b>	<b>192,647.77</b>	<b>182,107.42</b>	<b>204,664.41</b>	<b>227,813.72</b>

**Table A13 Share of Expenditure to GDP**

Years	2017	2018	2019	2020	2021	2022
	In %					
Final Consumption Expenditure	65.73	67.34	67.12	76.63	74.80	78.57
Households & NPISHs	47.54	48.85	48.01	54.31	52.12	57.55
General Government	18.19	18.49	19.12	22.32	22.67	21.02
Gross Domestic Capital Formation	54.17	54.02	46.09	39.07	44.39	55.78
Construction	35.04	32.30	26.29	21.35	21.45	22.92
Machinery & Equipment	18.71	21.11	19.22	16.90	22.06	31.48
Software and Database	0.51	0.20	0.28	0.32	0.48	0.71
Valuables	0.05	0.03	0.05	0.07	0.12	0.11
Changes in Inventories	(0.15)	0.39	0.24	0.43	0.27	0.56
Net Export	(19.90)	(21.36)	(13.21)	(15.70)	(19.18)	(34.35)
Export of Goods & Services	28.45	29.19	31.46	28.07	29.20	25.79
Import of Goods & Services	48.34	50.55	44.67	43.76	48.38	60.14
<b>GDP, Expenditure</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

**Table A14 GDP by Expenditures in Constant Prices**

Years	2017	2018	2019	2020	2021	2022
	Million Nu					
Final Consumption Expenditure	110,917.86	118,381.12	119,816.41	124,037.68	124,249.65	128,095.55
Households & NPISHs	80,229.90	86,572.06	84,914.70	87,579.65	85,469.58	90,216.00
General Government	30,687.96	31,809.06	34,901.71	36,458.03	38,780.08	37,879.55
Gross Domestic Capital Formation	91,409.90	90,984.11	84,232.36	65,831.46	78,969.86	101,741.86
Construction	59,127.86	55,885.28	48,934.67	37,059.69	40,182.23	47,349.83
Machinery & Equipment	31,579.93	34,116.72	34,253.09	27,458.20	37,446.68	52,913.98
Software and Database	864.84	317.20	505.25	527.41	813.74	1,193.47
Valuables	86.50	40.66	82.88	118.46	211.47	185.83
Changes in Inventories	-249.24	624.24	456.46	667.71	315.74	98.75
Net Export of Goods and Services	-33,574.46	-34,702.40	-19,333.84	-24,029.12	-30,047.09	-47,636.01
Export of Goods & Services	48,004.25	48,130.78	60,712.50	48,767.49	49,273.62	45,282.74
Export of Goods	37,297.00	38,650.90	48,209.59	46,043.70	47,815.49	43,829.30
Export of Services	10,707.25	9,479.88	12,502.91	2,723.79	1,458.13	1,453.44
Import of Goods & Services	81,578.71	82,833.18	80,046.34	72,796.61	79,320.71	92,918.74
Import of Goods	67,274.37	65,721.28	64,740.39	61,106.38	69,208.39	78,350.64
Import of Services	14,304.34	17,111.90	15,305.95	11,690.23	10,112.32	14,568.10
<b>GDP, Expenditure</b>	<b>168,753.30</b>	<b>174,662.82</b>	<b>184,714.93</b>	<b>165,840.02</b>	<b>173,172.42</b>	<b>182,201.40</b>

**Table A15 GDP Growth by Expenditures**

	2017	2018	2019	2020	2021	2022
	% change					
Final Consumption Expenditure		6.73	1.21	3.52	0.17	3.10
Households & NPISHs		7.90	(1.91)	3.14	(2.41)	5.55
General Government		3.65	9.72	4.46	6.37	(2.32)
Gross Domestic Capital Formation		(0.47)	(7.42)	(21.85)	19.96	28.84
Construction		(5.48)	(12.44)	(24.27)	8.43	17.84
Machinery & Equipment		8.03	0.40	(19.84)	36.38	41.30
Software and Database		(63.32)	59.28	4.39	54.29	46.67
Valuables		(53.00)	103.85	42.93	78.52	(12.12)
Net Export		3.36	(44.29)	24.29	25.04	58.54
Export of Goods & Services		0.26	26.14	(19.67)	1.04	(8.10)
Export of Goods		3.63	24.73	(4.49)	3.85	(8.34)
Export of services		(11.46)	31.89	(78.21)	(46.47)	(0.32)
Import of Goods & Services		1.54	(3.36)	(9.06)	8.96	17.14
Import of Goods		(2.31)	(1.49)	(5.61)	13.26	13.21
Import of Services		19.63	(10.55)	(23.62)	(13.50)	44.06
<b>GDP, Expenditure</b>		<b>3.50</b>	<b>5.76</b>	<b>-10.22</b>	<b>4.42</b>	<b>5.21</b>

**Table A16 Household consumption expenditure in Current Prices**

Years	2017	2018	2019	2020	2021	2022
	Million Nu					
Food and non-alcoholic beverages	33,931.94	36,501.07	39,113.49	40,260.26	43,423.54	53,367.21
Alcoholic beverages, tobacco and narcotics	2,513.68	2,704.00	2,897.53	3,290.04	3,548.54	4,361.12
Clothing and footwear	7,000.61	7,530.66	8,069.64	5,636.12	6,078.96	7,470.99
Housing, water, electricity, gas and other fuels	8,764.00	9,427.56	10,102.30	12,163.25	13,118.93	16,123.07
Furnishings, household equipment and routine household maintenance	4,200.58	4,518.63	4,842.03	4,029.80	4,346.43	5,341.73
Health	2,628.69	2,827.72	3,030.10	3,344.85	3,607.65	4,433.78
Transport	6,736.95	7,247.04	7,765.72	8,005.52	8,634.52	10,611.76
Communication	2,962.83	3,187.16	3,415.27	4,852.34	5,233.59	6,432.04
Recreation and culture	2,711.52	2,916.82	3,125.58	3,258.38	3,514.39	4,319.16
Education	1,585.37	1,705.40	1,827.46	2,660.51	2,869.55	3,526.66
Restaurants and hotels	2,460.03	2,646.29	2,835.69	3,253.62	3,509.26	4,312.85
Miscellaneous goods and services	4,733.69	5,092.10	5,456.55	8,153.59	8,794.23	10,808.04
<b>Total Consumption</b>	<b>80,229.89</b>	<b>86,304.45</b>	<b>92,481.34</b>	<b>98,908.28</b>	<b>106,679.58</b>	<b>131,108.41</b>

**Table A17 Private Household Consumption Share by Major Groups**

Expenditure Items	2017	2018	2019	2020	2021	2022
	In %					
Food and non-alcoholic beverages	42.29	42.29	42.29	40.70	40.70	40.70
Alcoholic beverages, tobacco and narcotics	3.13	3.13	3.13	3.33	3.33	3.33
Clothing and footwear	8.73	8.73	8.73	5.70	5.70	5.70
Housing, water, electricity, gas and other fuels	10.92	10.92	10.92	12.30	12.30	12.30
Furnishings, household equipment and routine household maintenance	5.24	5.24	5.24	4.07	4.07	4.07
Health	3.28	3.28	3.28	3.38	3.38	3.38
Transport	8.40	8.40	8.40	8.09	8.09	8.09
Communication	3.69	3.69	3.69	4.91	4.91	4.91
Recreation and culture	3.38	3.38	3.38	3.29	3.29	3.29
Education	1.98	1.98	1.98	2.69	2.69	2.69
Restaurants and hotels	3.07	3.07	3.07	3.29	3.29	3.29
Miscellaneous goods and services	5.90	5.90	5.90	8.24	8.24	8.24
<b>Total Consumption</b>	<b>100</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

**Table A18 Private Households Final Consumption in Constant Prices**

Expenditure Items	2017	2018	2019	2020	2021	2022
	Million Nu					
Food and non-alcoholic beverages	33,931.94	35,958.88	34,957.58	32,734.60	31,193.80	33,134.93
Alcoholic beverages, tobacco and narcotics	2,513.68	2,668.72	2,663.86	2,846.16	2,530.91	2,767.95
Clothing and footwear	7,000.61	7,587.11	7,515.46	5,151.00	4,896.48	5,006.18
Housing, water, electricity, gas and other fuels	8,764.00	9,610.83	9,444.74	11,259.07	10,991.92	11,570.68
Furnishings, household equipment and routine household maintenance	4,200.58	4,596.53	4,515.57	3,718.89	3,666.19	3,835.71
Health	2,628.69	2,867.33	2,817.50	3,046.73	3,029.18	3,216.36
Transport	6,736.95	7,545.36	7,400.89	7,688.99	7,426.85	7,298.13
Communication	2,962.83	3,292.35	3,309.58	5,054.08	5,819.32	6,533.59
Recreation and culture	2,711.52	3,002.78	3,015.48	3,180.89	3,227.34	3,508.04
Education	1,585.37	1,706.68	1,698.49	2,422.82	2,496.82	2,719.55
Restaurants and hotels	2,460.03	2,586.00	2,471.10	2,827.38	2,756.31	2,945.34
Miscellaneous goods and services	4733.69	5,149.49	5,104.44	7,649.04	7,434.46	7,679.54
<b>Total Consumption</b>	<b>80229.90</b>	<b>86572.06</b>	<b>84914.70</b>	<b>87579.65</b>	<b>85469.58</b>	<b>90216.00</b>

**Table A19** Gross Capital Formation at Current Prices

Year	2017	2018	2019	2020	2021	2022
	Million Nu					
Machinery & Equipment	31,579.93	37,295.11	37,034.68	30,774.90	45,142.63	71,712.76
Government	2,998.70	2,581.44	2,143.44	3,266.21	5,040.80	3,541.77
Private	28,581.23	34,713.67	34,891.24	27,508.69	40,101.82	68,170.99
Construction	59,127.86	57,061.15	50,651.10	38,873.79	43,907.11	52,212.64
Government	17,649.74	16,274.43	10,889.54	12,965.29	20,181.64	22,635.96
Private	41,478.11	40,786.73	39,761.55	25,908.50	23,725.47	29,576.68
Software and Database	864.84	346.86	546.28	591.11	981.53	1,617.48
Government	351.86	129.46	337.96	316.17	760.61	1,029.69
Private	512.99	217.41	208.32	274.94	220.92	587.78
Valuables	86.50	44.46	89.61	132.77	255.07	251.85
Gross Fixed Capital Formation	91,659.13	94,747.58	88,321.67	70,372.57	90,286.33	125,794.72
Changes in Inventories	(249.24)	683.23	460.74	777.84	561.33	277.10
Gross Capital Formation	91,409.90	95,430.81	88,782.41	71,150.41	90,847.66	126,071.82
Year	2017	2018	2019	2020	2021	2022
	Share in %					
Machinery & Equipment	34.55	39.08	41.71	43.25	49.69	56.88
Government	3.28	2.71	2.41	4.59	5.55	2.81
Private	31.27	36.38	39.30	38.66	44.14	54.07
Construction	64.68	59.79	57.05	54.64	48.33	41.41
Government	19.31	17.05	12.27	18.22	22.21	17.95
Private	45.38	42.74	44.79	36.41	26.12	23.46
Software and Database	0.95	0.36	0.62	0.83	1.08	1.28
Government	0.38	0.14	0.38	0.44	0.84	0.82
Private	0.56	0.23	0.23	0.39	0.24	0.47
Valuables	0.09	0.05	0.10	0.19	0.28	0.20
Gross Fixed Capital Formation	100.27	99.28	99.48	98.91	99.38	99.78
Changes in Inventories	-0.27	0.72	0.52	1.09	0.62	0.22
Gross Capital Formation	100.00	100.00	100.00	100.00	100.00	100.00



**Table A20** Gross Domestic Capital Formation in Constant Prices

Year	2017	2018	2019	2020	2021	2022
	Million Nu					
Machinery & Equipment	31,579.93	34,116.72	34,253.09	27,458.20	37,446.68	52,913.98
Government	2,998.70	2,360.70	1,982.45	2,914.20	4,179.10	2,613.33
Private	28,581.23	31,756.02	32,270.64	24,543.99	33,267.58	50,300.65
Construction	59,127.86	55,885.28	48,934.67	37,059.69	40,182.23	47,349.83
Government	17,649.74	15,939.06	10,520.53	12,360.25	18,469.52	20,527.77
Private	41,478.11	39,946.22	38,414.15	24,699.45	21,712.71	26,822.06
Software and Database	864.84	317.20	505.25	527.41	813.74	1,193.47
Government	351.86	118.39	312.58	282.10	630.58	759.77
Private	512.99	198.82	192.68	245.31	183.15	433.70
Valuables	86.50	40.66	82.88	118.46	211.47	185.83
Gross Fixed Capital Formation	91,659.13	90,359.86	83,775.90	65,163.76	78,654.12	101,643.11
Changes in Inventories	(249.24)	624.24	456.46	667.71	315.74	98.75
Gross Capital Formation	91,409.90	90,984.11	84,232.36	65,831.46	78,969.86	101,741.86
Year	2017	2018	2019	2020	2021	2022
	% change					
Machinery & Equipment		8.03	0.40	(19.84)	36.38	41.30
Government		(21.28)	(16.02)	47.00	43.40	(37.47)
Private		11.11	1.62	(23.94)	35.54	51.20
Construction		(5.48)	(12.44)	(24.27)	8.43	17.84
Government		(9.69)	(34.00)	17.49	49.43	11.14
Private		(3.69)	(3.84)	(35.70)	(12.09)	23.53
Software and Database		(63.32)	59.28	4.39	54.29	46.67
Government		(66.35)	164.03	(9.75)	123.53	20.49
Private		(61.24)	(3.09)	27.32	(25.34)	136.80
Valuables		(53.00)	103.85	42.93	78.52	(12.12)
Gross Fixed Capital Formation		(1.42)	(7.29)	(22.22)	20.70	29.23
Changes in Inventories		(350.46)	(26.88)	46.28	(52.71)	(68.72)
Gross Capital Formation		-0.47	-7.42	-21.85	19.96	28.84

## GLOSSARY

**Gross Value Added** - Gross value added is the value of output less the value of intermediate consumption; it is a measure of the contribution to GDP made by an individual producer, industry or sector; gross value added is the source from which the primary incomes of the SNA are generated and is therefore carried forward into the primary distribution of income account. (SNA 93, 1.6)

**System of National Accounts** - The System of National Accounts (SNA) consists of a coherent, consistent and integrated set of macroeconomic accounts; balance sheets and tables based on a set of internationally agreed concepts, definitions, classifications and accounting rules. (SNA 93, 1.1)

**GDP by Expenditure Approach** - total final expenditures at purchasers' prices (including the f.o.b. value of exports of goods and services), less the f.o.b. value of imports of goods and services. (SNA 93, 6.235)

**GDP by income approach** - compensation of employees, plus taxes less subsidies on production and imports, plus gross mixed income, plus gross operating surplus. (SNA 93, 2.222)

**GDP by Production approach** - is the sum of the gross values added of all resident producers at basic prices, plus all taxes less subsidies on products (SNA 93, 6.237)

**Constant prices** - are obtained by directly factoring changes over time in the values of flows or stocks of goods and services into two components reflecting changes in the prices of the goods and services concerned and changes in their volumes (i.e. changes GLOSSARY in "constant price terms"); the term "at constant prices" commonly refers to series which use a fixed-base Laspeyres formula. (SNA 93, 16.2)

**Gross capital formation** - Gross capital formation is measured by the total value of the gross fixed capital formation, changes in inventories and acquisitions less disposals of valuables. (SNA 2008, 10.31)

**Household final consumption expenditure** - consists of the expenditure, including expenditure whose value must be estimated indirectly, incurred by resident households on individual consumption goods and services, including those sold at prices that are not economically significant and including

consumption goods and services acquired abroad. (SNA 2008, 9.113)

**Government final consumption expenditure-** consists of expenditure, including expenditure whose value must be estimated indirectly, incurred by general government on both individual consumption goods and services and collective consumption services. (SNA 2008, 9.114)

**Consumption of Fixed Capital-** Consumption of fixed capital is the decline, during the course of the accounting period, in the current value of the stock of fixed assets owned and used by a producer as a result of physical deterioration, normal obsolescence or normal accidental damage. The term depreciation is often used in place of consumption of fixed capital but it is avoided in the SNA because in commercial accounting the term depreciation is often used in the context of writing off historic costs whereas in the SNA consumption of fixed capital is dependent on the current value of the asset. (SNA 2008, 6.240)

**FISIM-** Financial intermediation services indirectly measured (FISIM) is the difference between the rate paid to banks by borrowers and the reference rate plus the difference between the reference rate and the rate actually paid to

depositors represent charges for financial intermediation services indirectly. (SNA 2008, 6.163)

**Non-market output-** consists of goods and individual or collective services produced by non-profit institutions serving households (NPISHs) or government that are supplied free, or at prices that are not economically significant, to other institutional units or the community as a whole. (SNA 2008, 6.128)

**Principal activities-** The principal activity of a producer unit is the activity whose value added exceeds that of any other activity (SNA 2008, 5.8)

**Secondary activities-** A secondary activity is an activity carried out within a single producer unit in addition to the principal activity and whose output, like that of the principal activity, must be suitable for delivery outside the producer unit. (SNA 2008, 5.10)

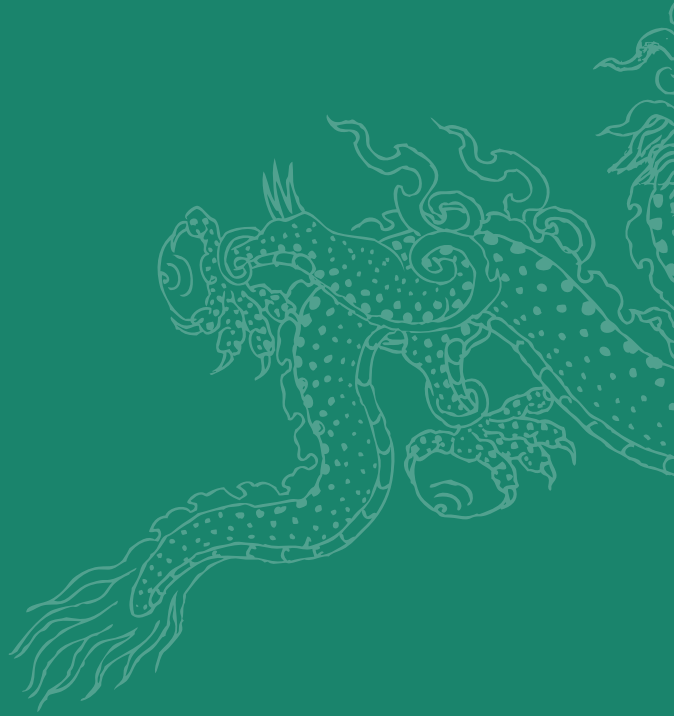
**Ancillary activities-** an ancillary activity is incidental to the main activity of an enterprise. It facilitates the efficient running of the enterprise but does not normally result in goods and services that can be marketed. (SNA 2008, 5.9)

**GDP at basic price-** Gross domestic product (GDP) at basic price is equal

to the sum of the gross value added of all the institutional units resident in a territory engaged in production. (SNA 2008, A4.24)

**GDP at market price** - Gross domestic product (GDP) at market prices is equal to the sum of the gross value added of all resident enterprises plus those taxes, less subsidies, on products that are not payable on the values of the outputs of those enterprises, that is, taxes or subsidies on imports plus non-deductible VAT when output is valued at producers' prices, and all taxes or subsidies on products when output is valued at basic prices. (SNA 2008, 7.10)

**Trade Margin**- A trade margin is defined as the difference between the actual or imputed price realized on a good purchased for resale and the price that would have to be paid by the distributor to replace the good at the time it is sold or otherwise disposed of. (SNA 2008, 6.146)



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