

EXECUTIVE COUNCIL

PUBLIC

CONFIDENTIAL

Title of Report: National Accounts 2007-2012

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Report of: Head of Policy / Economist

1.0 Purpose

- 1.1 To present GDP estimates for 2007 to 2012 and an update on progress on national accounts related statistical data management

2.0 Recommendations

- 2.1 Executive Council is recommended to:
- a) Note the revised GDP estimates that have been produced for 2007 to 2012;
 - b) Approve the publication of the standalone document 'National Accounts 2007-2012' as contained at Annex 1.

3.0 Additional Budgetary Implications

- 3.1 None.

4.0 National Accounts Reporting

- 4.1 Provisional 2011 and 2012 GDP estimates were submitted to the Executive Council in April 2014 (see ExCo 80/14). Methodological changes have now been applied to 2007-2010 for revised GDP estimates. In addition further work has been undertaken to prepare real GDP (constant price) estimates, measure GDP growth rates, and to make the national accounts more complete in general. This progress has been incorporated in 'Falkland Islands National Accounts 2007-2012 Report' contained at Annex 1.
- 4.2 It is recommended that the report at Annex 1 be published and the data presented in the report made available to public. The Policy Unit frequently received requests for GDP estimates from a wide range of sources including members of the public, private companies, and multilateral organisations such as the United Nations. However, at the moment only old and outdated information is available to the public, and it has been some time since any new GDP estimates have been made publicly available.

- 4.3 In the provisional GDP estimates (ExCo 80/14) financial and insurance activities were grouped together with real estate activities for confidentiality reasons. This was mainly due to the dominance of Standard Chartered Bank figures and national accounts confidentiality rules set in the document 'Falkland Islands System of National Accounts' (GSO/7/6) for national accounts. In this report they have been presented separately in response to MLAs request for greater disaggregation of the data. While this technically violates the confidentiality rules¹ set by the Policy Unit for some years, the nature of the figures presented is considered such that very little, if any, confidential information can be derived from them alone.

5.0 Gross Domestic Product Estimates

- 5.1 The updated GDP estimate for 2012 is £198.4 million, or £77.1 million excluding fishing, aquaculture, and all activities related to oil and gas exploration. Fishing and aquaculture accounted for about 34% of GDP and oil and gas exploration about 27%. In 2012 GDP grew by 21 %. During the period 2007-2012 GDP grew 64 % in total, or around 10.5% per year. This was mainly due to oil and gas exploration during 2010-2012. However, typical to the Falkland Islands overall GDP continued to be volatile with growth rates ranging between -20% and +67% over the period 2007-2012. It is expected that GDP fell significantly in 2013 as oil and gas exploration activity was reduced.

6.0 Update on National Accounts Data Management

- 6.1 The Policy Unit has been working together with the Tax Office to streamline collection of national accounts related statistical data from corporations and self-employed. Data for the years 2011 and 2012 was manually entered from corporate financial accounts by Tax Office staff. This was time consuming as the person doing data entry had to search for the information and then interpret it correctly, and at times there was a lack of consistency in the interpretation of the data. In response to this, a form was developed to make data collection more uniform and shift data interpretation more to the Policy Unit. Initially the idea was to amend the corporate tax return form with additional fields to collect data necessary to prepare the National Accounts. However, this was discarded as it was felt that it would not be in line with the Taxation Ordinance and the purpose of the tax return forms. It was then proposed that a separate form would be sent to companies together with their annual tax return. Although quite lengthy, the form is based on generally accepted financial statement formats and should thus be fairly easy for companies to fill in. It is also similar to data collected in other countries. This approach will be piloted to improve data collection for the 2013 National Accounts, though we anticipate only a partial response as companies would be under no legal obligation to provide the additional data.
- 6.2 Based on lessons learnt from using the new form for 2013 corporate data later this year, data collection and management solutions may be further developed. For example, possibility of collecting the data from companies electronically could be explored. If needed the Policy Unit is going to work together with the Attorney

¹ This refers to Policy Unit internal rules that have been used for Falkland Islands national accounts. The rules state that any published aggregate should contain at least three companies (or other type of organisations) and no company should account for more than 80% of the figure.

General's Chambers to see if filling providing the additional data could be made a legal requirement (under the Statistics Ordinance).

7.0 Financial Implications

- 7.1 The cost of making the report and figures public would be limited to any possible publication costs which can be accommodated with the approved budget for the Policy Unit.

8.0 Legal Implications

- 8.1 The National Accounts have been prepared in accordance with the provisions of the Statistics Ordinance 2010.

9.0 Human Resources Implications

- 9.1 None.

Falkland Islands National Accounts 2007-2012

Policy Unit

Falkland Islands Government



August 6, 2014

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Abbreviations

FKP	Falkland Islands Pound
GDP	Gross domestic product
GNI	Gross national income
ISIC	International Standard Industrial Classification of All Economic Activities
MPC	Mount Pleasant Complex
n/a	Data not available
NPISH	Non-profit institution serving households
PWD	Public Works Department
RPI	Retail price index
SNA	System of National Accounts

1. Introduction

- 1.1. This document presents the 2007-2012 Falkland Islands national accounts. It includes revised estimates of 2007-2012 gross domestic product (GDP) presented at both current (nominal) and constant (real) prices using the output¹ approach. Economy wide parity checks using income and expenditure approaches have not been conducted. The GDP estimates have been presented by economic activity, and also include production accounts for institutional sectors i.e. financial and non-financial corporations, general government, households, and non-profit institutions serving households (NPISHs). The data have been prepared according to international national accounts standards (SNA 2008).
- 1.2. The document is divided into three parts. The first part explains what national accounts and gross domestic product are, and how the information has been organised. The second part is a short narrative report highlighting the key figures and trends in national accounts. The third part is a collection of the national accounts data tables themselves.
- 1.3. Direct comparison with previously published pre-2007 Falkland Islands national accounts data is not possible at this time. This is due to increased scope of the accounts and methodological changes that have been implemented to improve the quality of the published estimates.
- 1.4. The methodological changes were applied during the compilation of 2011 and 2012 estimates. Consequently the previous 2007-2010 estimates were updated to be in line with the 2011 and 2012 estimates. Pre-2007 estimates have not been updated at this time. The increased scope, particularly the inclusion of oil exploration and development, was expected to contribute to much higher estimates than the previous 2009 and 2010 GDP estimates.

¹ The output or production approach is one of the three approaches to measuring GDP. It is based on the total value of goods and services produced by an organisation or individual less certain costs of inputs used minus taxes less subsidies. The other two are the expenditure approach where expenditures on GDP (household consumption, government consumption, capital spending, changes in inventories and exports less imports) are estimated and the income approach where compensation of employees, operating surplus and taxes less subsidies on production and imports are aggregated to measure GDP

Part I. Introduction to national accounts

2. What are national accounts?

- 2.1. National accounts are a collection and aggregate presentation of data on all economic activities in an economy and are the most important source of economic information for a country. The best known piece of information obtained from national accounts is the gross domestic product or GDP. In addition, a complete set of national accounts provides many other useful indicators such as government's share of GDP, savings rate, gross national income (GNI), net lending/borrowing, and net worth of the economy's assets. However, it is not just the indicators derived from national accounts that are useful, but also the actual raw data itself. For example figures from companies can be used to assess the historical profits of a particular type of economic activity and how that profit has impacted employment. National Accounts data can be used in many different types of analysis such as productivity analysis and economic impact studies. In fact, most economic analyses require data from the national accounts. Understanding how an economy works and where it is heading is not possible without properly prepared national accounts.
- 2.2. National accounts are normally compiled from a variety of data sources such as business surveys of company and charity accounts and administrative data sources such as company and individual tax returns and government accounts. These data are then arranged according to certain principles into series of accounts and tables such as the supply-use table. Supply-use tables facilitate a structural analysis of the economy which in turn allows for economic impact analysis where, for example, employment impacts can be estimated given certain simulated economic events.
- 2.3. An international standard called the System of National Accounts, and its latest revision in 2008 (SNA 2008), has been used to facilitate compilation of Falkland Islands national accounts, improve data quality and interpretation, and to enable Falkland Islands data to be compared to other countries and territories.

3. What is Gross Domestic Product?

- 3.1. Gross Domestic Product measures the size of economic activity within a defined territory and time-frame, usually during a calendar year. It measures the volume of goods and services produced in an economy during a year, i.e. the number of sheep skins, restaurant meals, fish caught, haircuts etc., excluding double counting. This volume is then given a value using an agreed set of prices.
- 3.2. While GDP is the most widely used economic indicator of any country or territory, it can also be misinterpreted and misused. GDP should not be viewed as a measure of the wealth of a nation. Wealth is something that is accumulated over time. Whilst GDP can give indications on how much new wealth is generated during a particular year, it does not consider how the new wealth is distributed. This is particularly important in the context of Falkland Islands where significant portions of benefit from economic activities may be distributed to entities abroad (e.g. fishing and oil industry activities). To gain a better understanding of this it's necessary to look at other national accounts data beyond GDP such as the Balance of Payments.
- 3.3. There are different sets of prices that are used for GDP for different purposes, each with their own limitations. When GDP is expressed at 'current prices' (also called 'nominal GDP') this means that prices of the year measured have been used. For example, GDP for 2012 at current prices means that prices from 2012 were used to give a value to the volume of goods and services produced. It is normally current prices that are reported by businesses on business surveys or available from government accounting or taxation records. Nevertheless, when expressed at current prices, GDP growth rates do not measure change in the size of the economy, since each year uses a different set of prices. In principle it can be compared with GDP figures from other countries for the same year. However, even then it is recommended that 'purchasing power parity prices' are used. This is because price levels are different between countries and thus 'purchasing power parity' has been developed to adjust for this.
- 3.4. When comparing the GDP figures of a country over time, GDP at 'constant prices' (also called real GDP) is a more comparable measure of economic performance. This measure uses prices of a set base year for all measurement years. For example 2012 GDP at 2007 prices can be compared with 2004 GDP at 2007 prices because they both use the same price set or base year. Therefore the change between the years measures a change in the volume of goods and services produced. This 'volume' measure or real growth in GDP is what policy makers are often targeting in their economic policies since it can be more closely related to employment growth. It is thus the figure normally reported for GDP growth. Because inflation rates vary between countries growth rates at

constant prices should also be used when comparing growth rates of countries. It is important to understand these different GDP figures and use them in the correct way.

4. Classifications used in national accounts

- 4.1. In general, the data in national accounts is sub-divided in two ways: by institutional sector and by economic activity. This makes it possible to understand the role of different types of actors (households, businesses, and government) within the economy. National accounts also provide tools for understanding the interactions between these actors. In SNA 2008 International Standard, the Industrial Classification of All Economic Activities (ISIC, Rev.4) is used to classify each activity such as fishing, mining, and social work etc. within an economy. This allows direct comparisons between countries at various aggregation levels. It also provides a definition for these activities which allows for a consistent classification of similar activities over the years. Institutional units are classified according to their dominant economic activity.
- 4.2. It is important to understand that ISIC definitions are based on the type of activity rather than the target group of the activity (or the consumers of that activity). For example, tourism is not an ISIC category but travel agency activities are. Serving a restaurant meal is an economic activity, but that service can be provided to a variety of customers, such as tourists, business visitors, or local residents. In a similar manner not all oil related activities are classified under 'oil'. For example seismic surveys have a distinct classification from operation of oil rigs, even though both might be serving oil exploration. Classifying economic actors according to the type of activity rather than their customer segments is necessary for a basic understanding of the economy and compilation of national accounts. Also, because tourism is more difficult to define than food service activities, compiling accounts for tourism is not so straightforward. However, satellite accounts and extensions have been developed for national accounts to further the understanding on specific market segments, such as oil or tourism. These have been largely built on ISIC classification which allows the data to be more easily reorganised for different needs. International standards for compilation of satellite accounts exist for e.g. tourism, environmental accounting, and health. Tourism Satellite Accounts have been compiled in the Falkland Islands in the past by the Tourist Board, giving an estimation of how much tourism contributes to GDP.

Part II. Falkland Islands Gross Domestic Product Estimates

5. Gross Value Added² / Gross Domestic Product

5.1. Total economy wide gross domestic product for the Falkland Islands is estimated as shown in table 1. This table shows the figures in current prices. Table 2 shows the real GDP estimates and the GDP growth rates in constant prices. The data shows that Falkland Islands' GDP continues to be volatile - expanding considerably during some years and shrinking in others. Previously this has been caused by volatility in the fisheries industry but for the period 2010-2012 oil and gas exploration added to this effect. Corporations directly engaged in oil and gas exploration related activities within the Falklands' territory were estimated to contribute annually about £50 to £55 million to GDP during this period. Oil and gas exploration was also the main source of growth between 2009 and 2010. It is expected that the overall GDP figure has decreased significantly for 2013 as there was no oil and gas exploration drilling.

Table 1. Falkland Islands value added, gross / Gross domestic product

Millions of FKP (current and basic prices)	2007	2008	2009	2010	2011	2012
Value added, gross / Gross domestic product	106.0	121.2	96.4	170.8	185.7	198.4

Table 2. Falkland Islands gross domestic product annual growth rate

Millions of FKP (at constant 2012 and basic prices)	2007	2008	2009	2010	2011	2012
Annual growth rate %	n/a	7.8 %	-19.7%	66.7%	-5.9%	21.2%
Value added, gross / Gross domestic product	120.5	129.8	104.3	173.9	163.7	198.4

² In the output approach, GDP is estimated by calculating value added for the institutional units. Value added differs from revenue or gross output which measures the gross value of all goods and services produced by unit. For example, for a private company value added measures the additional value the company has created to consumers over the value of inputs and services they have purchased from other companies.

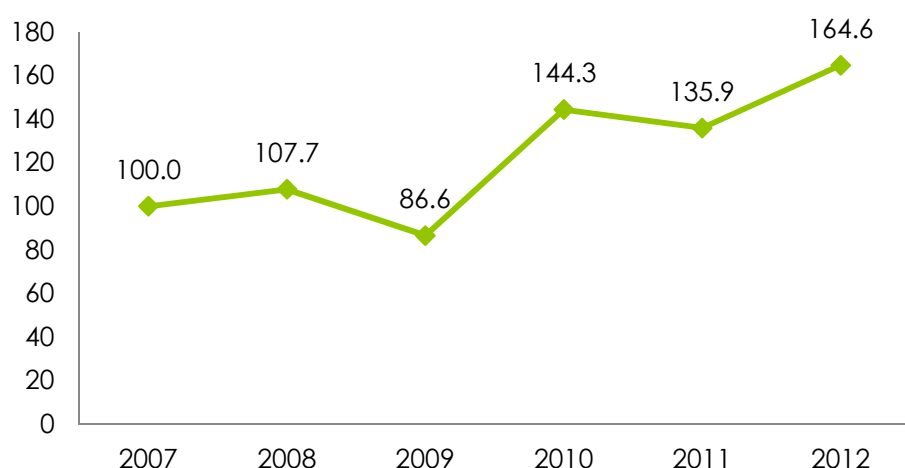


Figure 1. Indexed Falkland Islands gross domestic product growth (2007=100)

6. Breakdown by institutional sector

6.1. A breakdown of gross domestic product by institutional sector in 2012 is presented in table 3 and figure 2. The share of the different institutional sectors over the years 2007 to 2012 is shown in figure 3. As a result of higher oil and gas exploration activity in recent years, the government's share of GDP (which shows how big a role government has in economic activities) has dropped from a relatively high share in 2007-2009. Again, it is predicted that this has gone up for 2013 after oil and gas exploration drilling activities finished.

Table 3. Falkland Islands 2012 value added, gross / gross domestic product by institutional sector

Millions of FKP (current and basic prices)	Non-financial and financial corporations	General government	Households	NPISHs	Total economy
Value added, gross / Gross domestic product	162.1	24.3	11.2	0.8	198.4
Per cent of total	81.7 %	12.3 %	5.7 %	0.4 %	100.0 %

Note: Figures may not sum due to rounding

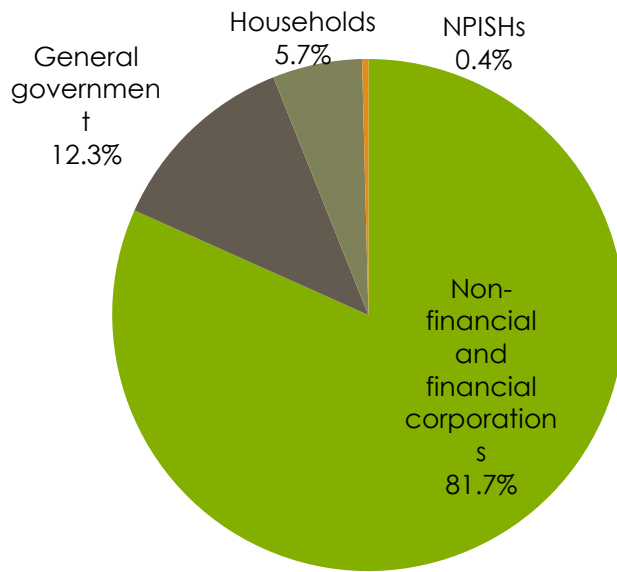


Figure 2. Falkland Islands gross domestic product by institutional sector in 2012

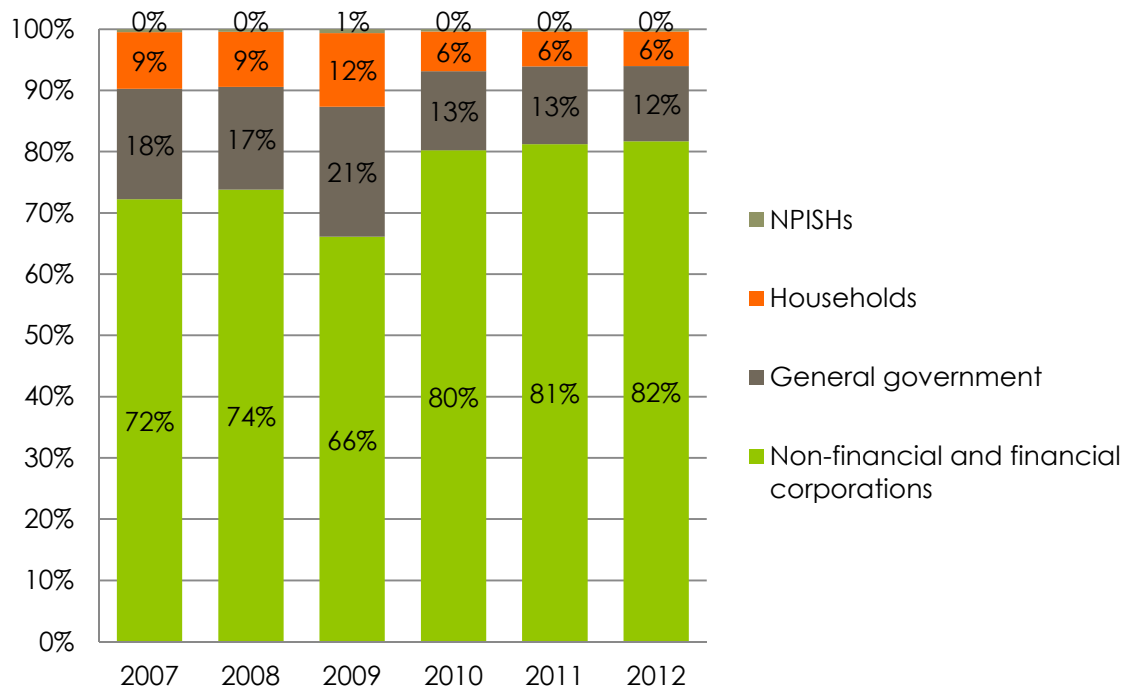


Figure 3. Share of institutional sectors of total gross domestic product. Note: figures may not sum due to rounding.

7. Breakdown by type of activity

7.1. Table 4 and figure 4 show the breakdown of gross domestic product by type of economic activity in 2012. The categorisation of economic activities is based on the United Nations International Standard Industrial Classification of All Economic Activities (ISIC)³. ISIC section A, agriculture, forestry, and fishing is presented separately for agriculture (ISIC division 01) and fishing (ISIC division 03) to reflect the important role of fishing for the Falkland Islands economy. The value added of forestry and logging (ISIC division 02) is nil and thus not presented. The ISIC category called 'Manufacturing, mining and quarrying and other industrial activities' consists mostly of oil related activities and is thus called here 'Oil and gas exploration, quarrying, manufacturing and other industrial activities'. Figure 5 shows how different sectors of the economy have grown over time. It can be seen how fisheries create volatility and oil & gas exploration accounted for the higher figures since 2010. The increased share of category 4 'wholesale and retail trade, transportation and storage, accommodation and food service activities' in GDP is mostly due to transportation and storage industry activities.

Table 4. Falkland Islands value added by type of activity.

	Millions of FKP (current and basic prices)	2012	Per cent of total
1-01	Crop and animal production and related service activities	3.7	1.9 %
1-03	Fishing and aquaculture	67.7	34.1 %
2	Oil and gas exploration, quarrying, manufacturing and other industrial activities	49.5	24.9 %
2a	<i>Of which: manufacturing</i>	1.3	0.6 %
3	Construction	5.6	2.8 %
4	Wholesale and retail trade, transportation and storage, accommodation and food service activities	36.0	18.2 %
5	Information and communication	6.7	3.4 %
6	Financial and insurance activities	0.6	0.3 %
7	Real estate activities	6.5	3.3 %
8	Professional, scientific, technical, administrative and support service activities	2.5	1.2 %
9	Public administration and defence, education, human health, and social work activities	18.6	9.4 %
10	Other service activities	1.0	0.5 %
TOTAL	Gross domestic product	198.4	100.0 %
Note: Figures may not sum due to rounding			

³ The categories used are ISIC revision 4, but the titles have been adapted for Falkland Islands context for presentation purposes.

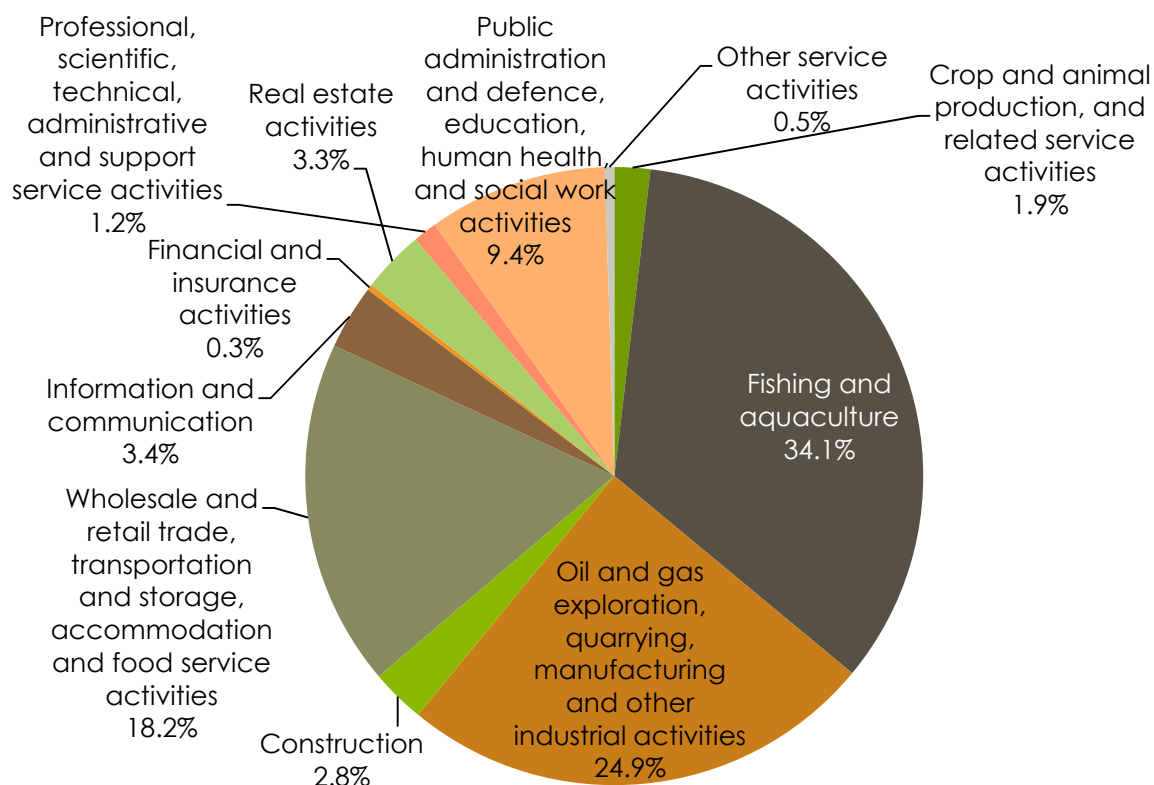


Figure 4. Falkland Islands value added by activity in 2012

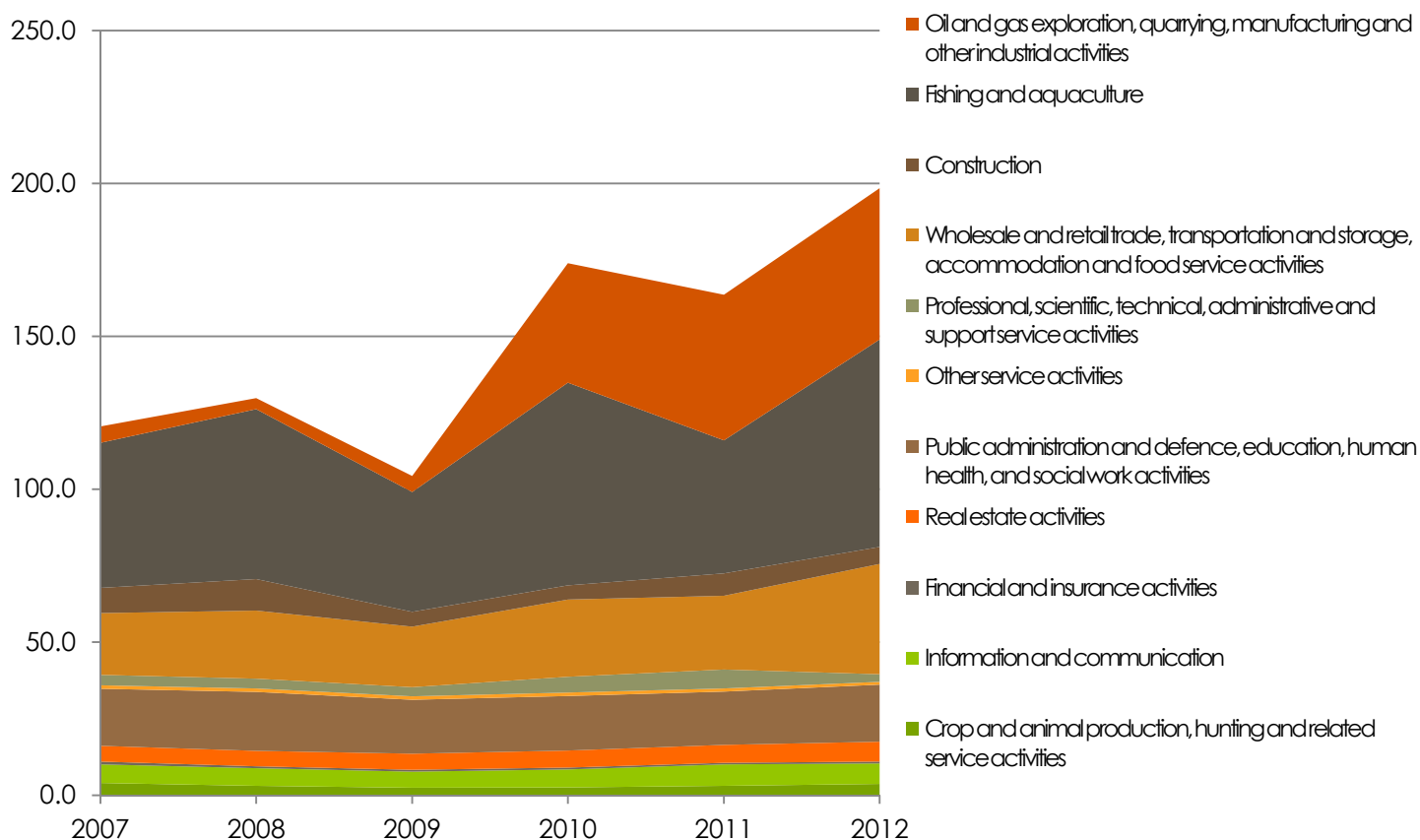


Figure 5. Gross domestic product growth by economic activity

8. Per capita gross domestic product

8.1. Per capita gross domestic product is based on a population of 2562 persons⁴ and is £77.4 thousand for 2012. It is important to understand the role fishing and oil exploration and appraisal have in the Falkland Islands GDP and to interpret this figure correctly when comparing it to other nations. GDP should never be viewed as a measure of the wealth of a nation. GDP is a measure of production of new wealth generated within a territory and makes no distinction as to whom and how this wealth is distributed. Gross national income figures that better reflect income earned by Falkland Islands residents will be released at a later date. Table 5 shows both the per capita GDP figure for the total economy as well as for the economy excluding fishing and aquaculture and activities directly related to oil and gas exploration.

Table 5. Gross domestic product per capita

Thousands of FKP (at current and basic prices)	2007	2008	2009	2010	2011	2012
Gross domestic product per capita	41.4	47.3	37.7	66.7	72.5	77.4
Gross domestic product per capita excluding fishing, aquaculture, oil & gas exploration	23.8	26.5	23.5	n/a	28.2	30.2

9. Gross domestic product deflator

9.1. Gross domestic product deflator is an economy-wide implicit price index estimated by dividing GDP at current prices by GDP at constant prices. It is a measure of changes in prices in the economy. Unlike the retail price index (RPI) published by the Falkland Islands Government, it takes into account all goods and services produced or consumed in the economy. The GDP deflator is shown in figure 6 in comparison with the RPI. The biggest deviations of GDP deflator from RPI were in 2011 and 2012 which were due to big changes in prices of fish caught in the Falkland Islands, not reflected in RPI.

⁴ For the purposes of national accounts resident population is defined as the census population excluding those resident in MPC and including those temporarily absent during the census. For 2012 census the figure was 2562.

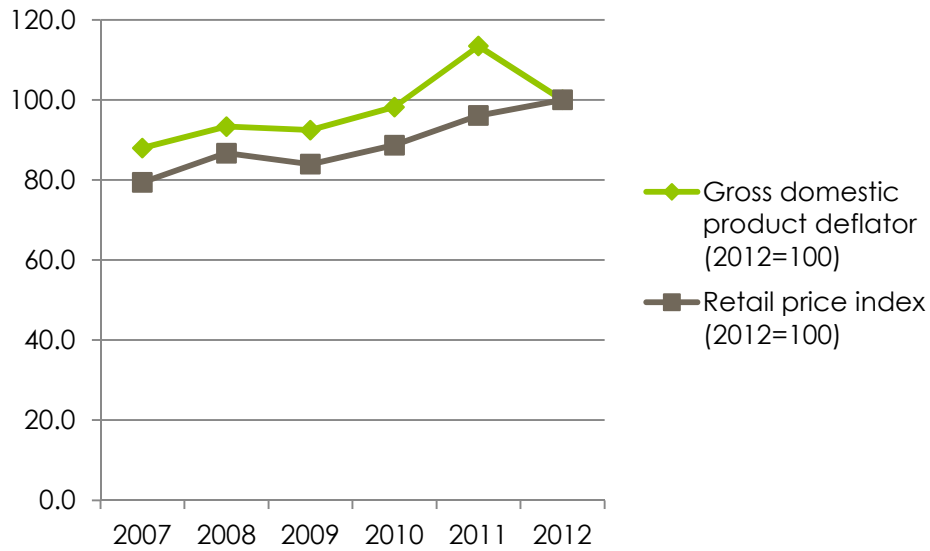


Figure 6. Comparison of Falkland Islands gross domestic product deflator and retail price index

Part III. Tables

10. Value added, gross / Gross domestic product, current prices

Value added, gross / Gross domestic product		At current and basic prices (millions of FKP)					
ISIC Sections		2007	2008	2009	2010	2011	2012
A01	Crop and animal production, hunting and related activities	2.0	2.4	2.0	2.6	3.5	3.7
A03	Fishing and aquaculture	43.8	53.1	32.9	66.6	61.3	67.7
B	Mining and quarrying	0.8	1.1	2.1	32.4	49.9	46.6
C	Manufacturing	0.2	0.3	0.3	0.8	1.3	1.3
D	Electricity, gas and steam supply	0.7	1.0	0.6	0.8	0.8	1.0
E	Water supply; sewerage, waste management and remediation activities	0.4	0.3	0.4	0.4	0.4	0.6
F	Construction	4.7	6.2	5.1	4.9	7.2	5.6
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	7.2	5.6	5.3	6.9	10.9	10.8
H	Transportation and storage	9.8	14.7	9.8	18.2	12.0	23.7
I	Accommodation and food service activities	1.8	1.8	1.8	1.3	1.3	1.5
J	Information and communication	8.2	7.8	7.9	7.8	7.1	6.7
K	Financial and insurance activities	2.1	2.6	2.5	1.1	1.0	0.6
L	Real estate activities	3.9	4.0	4.4	4.9	5.6	6.5
M	Professional, scientific and technical activities	1.6	0.2	2.4	2.8	4.2	0.7
N	Administrative and support service activities	2.0	2.6	1.0	1.4	1.3	1.8
O	Public administration and defence; compulsory social security	9.1	9.6	9.7	9.8	9.9	10.7
P	Education	3.1	3.1	3.4	3.4	3.5	3.6
Q	Human health and social work activities	3.9	4.1	4.1	3.8	3.5	4.3
R	Arts, entertainment and recreation	0.1	0.1	0.1	0.1	0.1	0.1
S	Other service activities	0.3	0.3	0.3	0.3	0.4	0.4
T	Activities of households as employers; undifferentiated good- and services-producing activities of households for own use	0.0	0.0	0.0	0.0	0.0	0.0
U	Activities of extraterritorial organisations and bodies	0.2	0.3	0.4	0.4	0.5	0.5
	TOTAL	106.0	121.2	96.4	170.8	185.7	198.4

Value added, gross / Gross domestic product		Percentage of total GDP (at current and basic prices)					
ISIC Sections		2007	2008	2009	2010	2011	2012
A01	Crop and animal production, hunting and related activities	1.9%	2.0%	2.0%	1.5%	1.9%	1.9%
A03	Fishing and aquaculture	41.3%	43.8%	34.1%	39.0%	33.0%	34.1%
B	Mining and quarrying	0.8%	0.9%	2.2%	19.0%	26.9%	23.5%
C	Manufacturing	0.2%	0.3%	0.3%	0.4%	0.7%	0.6%
D	Electricity, gas and steam supply	0.6%	0.8%	0.6%	0.5%	0.4%	0.5%
E	Water supply; sewerage, waste management and remediation activities	0.4%	0.2%	0.4%	0.2%	0.2%	0.3%
F	Construction	4.4%	5.1%	5.2%	2.9%	3.9%	2.8%
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	6.8%	4.6%	5.5%	4.0%	5.9%	5.4%
H	Transportation and storage	9.3%	12.1%	10.2%	10.7%	6.5%	11.9%
I	Accommodation and food service activities	1.7%	1.5%	1.8%	0.8%	0.7%	0.8%
J	Information and communication	7.7%	6.5%	8.2%	4.6%	3.8%	3.4%
K	Financial and insurance activities	2.0%	2.2%	2.6%	0.6%	0.6%	0.3%
L	Real estate activities	3.7%	3.3%	4.5%	2.9%	3.0%	3.3%
M	Professional, scientific and technical activities	1.5%	0.2%	2.5%	1.6%	2.3%	0.3%
N	Administrative and support service activities	1.8%	2.2%	1.0%	0.8%	0.7%	0.9%
O	Public administration and defence; compulsory social security	8.6%	7.9%	10.1%	5.7%	5.4%	5.4%
P	Education	2.9%	2.6%	3.5%	2.0%	1.9%	1.8%
Q	Human health and social work activities	3.7%	3.4%	4.3%	2.2%	1.9%	2.2%
R	Arts, entertainment and recreation	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
S	Other service activities	0.3%	0.2%	0.3%	0.2%	0.2%	0.2%
T	Activities of households as employers; undifferentiated good- and services-producing activities of households for own use	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
U	Activities of extraterritorial organisations and bodies	0.2%	0.2%	0.4%	0.3%	0.2%	0.2%
	TOTAL	100.0	100.0	100.0	100.0	100.0	100.0
		%	%	%	%	%	%

Value added, gross / Gross domestic product		At current and basic prices (millions of FKP)					
ISIC A*10 categories		2007	2008	2009	2010	2011	2012
1-01	Crop and animal production, hunting and related service activities	2.0	2.4	2.0	2.6	3.5	3.7
1-02	Fishing and aquaculture	43.8	53.1	32.9	66.6	61.3	67.7
2	Manufacturing, mining and quarrying and other industrial activities	2.1	2.7	3.4	34.4	52.4	49.5
2a	Of which manufacturing	0.2	0.3	0.3	0.8	1.3	1.3
3	Construction	4.7	6.2	5.1	4.9	7.2	5.6
4	Wholesale and retail trade, transportation and storage, accommodation and food service activities	18.8	22.0	16.9	26.4	24.2	36.0
5	Information and communication	8.2	7.8	7.9	7.8	7.1	6.7
6	Financial and insurance activities	2.1	2.6	2.5	1.1	1.0	0.6
7	Real estate activities	3.9	4.0	4.4	4.9	5.6	6.5
8	Professional, scientific, technical, administrative and support service activities	3.6	2.8	3.4	4.2	5.5	2.5
9	Public administration and defence, education, human health, and social work activities	16.1	16.8	17.2	17.0	16.9	18.6
10	Other service activities	0.6	0.7	0.8	0.9	1.0	1.0
TOTAL		106.0	121.2	96.4	170.8	185.7	198.4

Value added, gross / Gross domestic product		Percentage of total GDP (at current and basic prices)					
ISIC A*10 categories		2007	2008	2009	2010	2011	2012
1-01	Crop and animal production, hunting and related service activities	1.9%	2.0%	2.0%	1.5%	1.9%	1.9%
1-02	Fishing and aquaculture	41.3%	43.8%	34.1%	39.0%	33.0%	34.1%
2	Manufacturing, mining and quarrying and other industrial activities	2.0%	2.2%	3.5%	20.1%	28.2%	24.9%
2a	Of which manufacturing	0.2%	0.3%	0.3%	0.4%	0.7%	0.6%
3	Construction	4.4%	5.1%	5.2%	2.9%	3.9%	2.8%
4	Wholesale and retail trade, transportation and storage, accommodation and food service activities	17.8%	18.2%	17.5%	15.5%	13.0%	18.2%
5	Information and communication	7.7%	6.5%	8.2%	4.6%	3.8%	3.4%
6	Financial and insurance activities	2.0%	2.2%	2.6%	0.6%	0.6%	0.3%
7	Real estate activities	3.7%	3.3%	4.5%	2.9%	3.0%	3.3%
8	Professional, scientific, technical, administrative and support service activities	3.4%	2.3%	3.5%	2.5%	3.0%	1.2%
9	Public administration and defence, education, human health, and social work activities	15.2%	13.9%	17.9%	9.9%	9.1%	9.4%
10	Other service activities	0.6%	0.5%	0.8%	0.5%	0.5%	0.5%
TOTAL		100.0	100.0	100.0	100.0	100.0	100.0
		%	%	%	%	%	%

Value added, gross / Gross domestic product		At current and basic prices (millions of FKP)					
Institutional sectors		2007	2008	2009	2010	2011	2012
S11 & S12	Non-financial and financial corporations	76.5	89.5	63.8	137.0	150.8	162.1
S13	General government	19.1	20.3	20.4	22.0	23.6	24.3
S14	Households	9.8	10.9	11.6	11.1	10.5	11.2
S15	NPISHs	0.5	0.6	0.6	0.7	0.7	0.8
S1	TOTAL ECONOMY	106.0	121.2	96.4	170.8	185.7	198.4

Value added, gross / Gross domestic product		Percentage of total GDP (at current and basic prices)					
Institutional sectors		2007	2008	2009	2010	2011	2012
S11 & S12	Non-financial and financial corporations	72.2%	73.8%	66.1%	80.2%	81.2%	81.7%
S13	General government	18.0%	16.7%	21.2%	12.9%	12.7%	12.3%
S14	Households	9.3%	9.0%	12.1%	6.5%	5.7%	5.7%
S15	NPISHs	0.5%	0.5%	0.6%	0.4%	0.4%	0.4%
S1	TOTAL ECONOMY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

11. Value added, gross / Gross domestic product, constant 2012 prices

Value added, gross / Gross domestic product		At constant 2012 and basic prices (millions of FKP)					
ISIC Sections		2007	2008	2009	2010	2011	2012
A01	Crop and animal production, hunting and related activities	4.0	3.0	2.4	2.5	3.1	3.7
A03	Fishing and aquaculture	47.4	55.5	39.1	66.3	43.4	67.7
B	Mining and quarrying	2.9	1.5	3.1	36.6	45.0	46.6
C	Manufacturing	0.7	0.7	0.8	0.9	1.3	1.3
D	Electricity, gas and steam supply	1.0	1.1	1.0	1.0	0.9	1.0
E	Water supply; sewerage, waste management and remediation activities	0.6	0.4	0.4	0.5	0.4	0.6
F	Construction	8.3	10.3	4.8	4.7	7.3	5.6
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	5.3	5.4	4.9	6.9	8.6	10.8
H	Transportation and storage	13.4	15.1	13.1	16.4	14.1	23.7
I	Accommodation and food service activities	1.4	1.8	1.8	1.8	1.4	1.5
J	Information and communication	6.1	5.7	5.2	5.9	6.9	6.7
K	Financial and insurance activities	0.9	0.7	0.7	0.6	0.6	0.6
L	Real estate activities	5.1	5.1	5.3	5.5	5.9	6.5
M	Professional, scientific and technical activities	1.9	1.4	2.5	4.5	5.7	0.7
N	Administrative and support service activities	1.5	1.8	0.4	0.6	0.6	1.8
O	Public administration and defence; compulsory social security	11.6	11.5	10.1	10.3	10.1	10.7
P	Education	3.5	3.6	3.6	3.6	3.5	3.6
Q	Human health and social work activities	3.5	4.2	3.9	4.0	3.8	4.3
R	Arts, entertainment and recreation	0.2	0.2	0.2	0.2	0.2	0.1
S	Other service activities	0.5	0.4	0.4	0.4	0.4	0.4
T	Activities of households as employers; undifferentiated good- and services-producing activities of households for own use	0.0	0.0	0.0	0.0	0.0	0.0
U	Activities of extraterritorial organisations and bodies	0.4	0.6	0.7	0.6	0.5	0.5
	TOTAL	120.5	129.8	104.3	173.9	163.7	198.4

Value added, gross / Gross domestic product		Annual growth rates in volume (at constant and basic prices)					
ISIC Sections		2007	2008	2009	2010	2011	2012
A01	Crop and animal production, hunting and related activities	n/a	-23.4%	-20.5%	3.9%	23.0%	20.6%
A03	Fishing and aquaculture	n/a	17.0%	-29.5%	69.4%	-34.5%	56.1%
B	Mining and quarrying	n/a	-47.9%	103.4%	1075.4%	22.9%	3.4%
C	Manufacturing	n/a	-5.7%	10.8%	20.3%	43.5%	-3.3%
D	Electricity, gas and steam supply	n/a	4.8%	-9.6%	6.7%	-10.8%	15.4%
E	Water supply; sewerage, waste management and remediation activities	n/a	-32.1%	4.6%	8.3%	-1.8%	27.6%
F	Construction	n/a	24.0%	-52.9%	-3.2%	56.7%	-23.2%
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	n/a	0.5%	-9.0%	42.0%	24.0%	25.2%
H	Transportation and storage	n/a	12.7%	-13.3%	25.4%	-14.2%	68.0%
I	Accommodation and food service activities	n/a	27.8%	0.7%	1.2%	-24.2%	9.8%
J	Information and communication	n/a	-6.3%	-8.8%	13.6%	16.4%	-3.3%
K	Financial and insurance activities	n/a	-23.5%	-5.6%	-13.1%	-2.7%	7.7%
L	Real estate activities	n/a	-1.1%	4.1%	5.3%	6.5%	10.1%
M	Professional, scientific and technical activities	n/a	-23.8%	75.0%	80.4%	24.7%	-87.8%
N	Administrative and support service activities	n/a	18.9%	-78.4%	54.2%	-2.6%	211.7%
O	Public administration and defence; compulsory social security	n/a	-1.4%	-11.9%	2.1%	-2.2%	5.5%
P	Education	n/a	1.3%	0.5%	-0.4%	-2.4%	3.6%
Q	Human health and social work activities	n/a	18.3%	-7.7%	2.2%	-4.9%	15.3%
R	Arts, entertainment and recreation	n/a	-30.2%	2.6%	11.2%	4.6%	-23.7%
S	Other service activities	n/a	-16.8%	0.2%	0.8%	-2.2%	-5.5%
T	Activities of households as employers; undifferentiated good- and services-producing activities of households for own use	n/a	-	-	-	-	-
U	Activities of extraterritorial organisations and bodies	n/a	32.1%	16.3%	-16.4%	-13.9%	-4.3%
	TOTAL	n/a	7.8%	-19.7%	66.7%	-5.9%	21.2%

Value added, gross / Gross domestic product		At constant 2012 and basic prices (millions of FKP)					
ISIC A*10 categories		2007	2008	2009	2010	2011	2012
1-01	Crop and animal production, hunting and related service activities	4.0	3.0	2.4	2.5	3.1	3.7
1-02	Fishing and aquaculture	47.4	55.5	39.1	66.3	43.4	67.7
2	Manufacturing, mining and quarrying and other industrial activities	5.3	3.7	5.3	39.0	47.7	49.5
2a	Of which manufacturing	0.7	0.7	0.8	0.9	1.3	1.3
3	Construction	8.3	10.3	4.8	4.7	7.3	5.6
4	Wholesale and retail trade, transportation and storage, accommodation and food service activities	20.2	22.3	19.8	25.2	24.1	36.0
5	Information and communication	6.1	5.7	5.2	5.9	6.9	6.7
6	Financial and insurance activities	0.9	0.7	0.7	0.6	0.6	0.6
7	Real estate activities	5.1	5.1	5.3	5.5	5.9	6.5
8	Professional, scientific, technical, administrative and support service activities	3.4	3.2	2.9	5.1	6.2	2.5
9	Public administration and defence, education, human health, and social work activities	18.7	19.2	17.6	17.9	17.3	18.6
10	Other service activities	1.1	1.1	1.2	1.1	1.1	1.0
TOTAL		120.5	129.8	104.3	173.9	163.7	198.4

Value added, gross / Gross domestic product		Annual growth rates in volume (at constant and basic prices)					
ISIC A*10 categories		2007	2008	2009	2010	2011	2012
1-01	Crop and animal production, hunting and related service activities	n/a	-23.4%	-20.5%	3.9%	23.0%	20.6%
1-02	Fishing and aquaculture	n/a	17.0%	-29.5%	69.4%	-34.5%	56.1%
2	Manufacturing, mining and quarrying and other industrial activities	n/a	-30.2%	42.8%	642.0%	22.3%	3.7%
2a	Of which manufacturing	n/a	-5.7%	10.8%	20.3%	43.5%	-3.3%
3	Construction	n/a	24.0%	-52.9%	-3.2%	56.7%	-23.2%
4	Wholesale and retail trade, transportation and storage, accommodation and food service activities	n/a	10.5%	-11.1%	27.3%	-4.4%	49.4%
5	Information and communication	n/a	-6.3%	-8.8%	13.6%	16.4%	-3.3%
6	Financial and insurance activities	n/a	-23.5%	-5.6%	-13.1%	-2.7%	7.7%
7	Real estate activities	n/a	-1.1%	4.1%	5.3%	6.5%	10.1%
8	Professional, scientific, technical, administrative and support service activities	n/a	-5.0%	-9.6%	77.0%	21.6%	-60.4%
9	Public administration and defence, education, human health, and social work activities	n/a	2.9%	-8.7%	1.6%	-2.9%	7.2%
10	Other service activities	n/a	-0.7%	8.8%	-7.2%	-6.9%	-8.2%
	TOTAL	n/a	7.8%	-19.7%	66.7%	-5.9%	21.2%

Value added, gross / Gross domestic product, excluding section A03 fishing and aquaculture and all activities directly related to oil & gas exploration		At constant 2012 and basic prices (millions of FKP)					
		2007	2008	2009	2010	2011	2012
S1	TOTAL ECONOMY	68.7	71.4	59.7	n/a	70.3	77.1
Annual growth rate		n/a	4.0%	-16.4%	n/a	n/a	9.6%

	2007	2008	2009	2010	2011	2012
Gross domestic product deflator (2012=100)	88.0	93.3	92.5	98.2	113.5	100.0
Retail price index (2012=100)	79.4	86.7	83.9	88.7	96.1	100.0

12. Production account

PRODUCTION ACCOUNT (current and basic prices)		S1 Total Economy					
(millions of FKP)		2007	2008	2009	2010	2011	2012
<i>Resources</i>							
P1	Output	278.8	324.6	293.9	649.5	836.7	876.5
P11	Market output	220.0	272.6	232.5	n/a	538.4	544.2
P12	Output for own final use	26.5	17.9	29.0	n/a	264.8	296.0
P13	Non-market output	32.3	34.1	32.5	n/a	33.5	36.3
<i>Uses</i>							
P2	Intermediate consumption	172.8	203.4	197.5	478.7	651.1	678.1
D21	Taxes on products	0.0	0.0	0.0	n/a	0.0	0.0
D31	Subsidies on products	0.0	0.0	0.0	n/a	0.0	0.0
B1g	Value added, gross / Gross domestic product	106.0	121.2	96.4	170.8	185.7	198.4
P51c	Consumption of fixed capital	14.7	14.6	14.9	n/a	20.5	17.2
B1n	Value added, net / Net domestic product	91.3	106.6	81.5	n/a	165.1	181.2

PRODUCTION ACCOUNT (current and basic prices)		S11 & S12 Non-financial and financial corporations					
(millions of FKP)		2007	2008	2009	2010	2011	2012
<i>Resources</i>							
P1	Output	224.0	268.8	239.4	591.1	774.1	809.3
P11	Market output	201.8	255.5	215.0	n/a	515.0	520.0
P12	Output for own final use	22.2	13.4	24.4	n/a	259.1	289.3
P13	Non-market output	0.0	0.0	0.0	n/a	0.0	0.0
<i>Uses</i>							
P2	Intermediate consumption	147.5	179.4	175.7	454.1	623.3	647.2
D21	Taxes on products	0.0	0.0	0.0	n/a	0.0	0.0
D31	Subsidies on products	0.0	0.0	0.0	n/a	0.0	0.0
B1g	Value added, gross / Gross domestic product	76.5	89.5	63.8	137.0	150.8	162.1
P51c	Consumption of fixed capital	8.4	8.1	8.4	n/a	12.4	8.4
B1n	Value added, net / Net domestic product	68.2	81.4	55.4	n/a	138.4	153.7

PRODUCTION ACCOUNT (current and basic prices)		S13 General government					
(millions of FKP)		2007	2008	2009	2010	2011	2012
<i>Resources</i>							
P1	Output	38.5	40.5	38.6	40.9	43.4	46.6
P11	Market output	6.5	6.9	6.9	8.8	10.9	11.3
P12	Output for own final use	0.6	0.6	0.5	0.5	0.5	0.4
P13	Non-market output	31.4	33.0	31.3	31.6	32.0	34.9
<i>Uses</i>							
P2	Intermediate consumption	19.4	20.2	18.2	18.9	19.8	22.3
D21	Taxes on products	0.0	0.0	0.0	0.0	0.0	0.0
D31	Subsidies on products	0.0	0.0	0.0	0.0	0.0	0.0
B1g	Value added, gross / Gross domestic product	19.1	20.3	20.4	22.0	23.6	24.3
P51c	Consumption of fixed capital	3.4	3.4	3.3	3.6	3.8	3.9
B1n	Value added, net / Net domestic product	15.8	16.9	17.2	18.4	19.7	20.4

PRODUCTION ACCOUNT (current and basic prices)		S14 Households					
(millions of FKP)		2007	2008	2009	2010	2011	2012
<i>Resources</i>							
P1	Output	15.3	14.2	14.6	16.2	17.8	19.1
P11	Market output	11.7	10.3	10.6	11.6	12.6	12.9
P12	Output for own final use	3.7	3.9	4.1	4.6	5.2	6.2
P13	Non-market output	0.0	0.0	0.0	0.0	0.0	0.0
<i>Uses</i>							
P2	Intermediate consumption	5.5	3.3	3.0	5.1	7.3	7.9
D21	Taxes on products	0.0	0.0	0.0	0.0	0.0	0.0
D31	Subsidies on products	0.0	0.0	0.0	0.0	0.0	0.0
B1g	Value added, gross / Gross domestic product	9.8	10.9	11.6	11.1	10.5	11.2
P51c	Consumption of fixed capital	3.0	3.1	3.2	n/a	4.2	4.9
B1n	Value added, net / Net domestic product	6.8	7.7	8.4	n/a	6.3	6.4

PRODUCTION ACCOUNT (current and basic prices)		S15 Non-profit institutions serving households					
(millions of FKP)		2007	2008	2009	2010	2011	2012
<i>Resources</i>							
P1	Output	1.0	1.1	1.2	1.3	1.4	1.4
P11	Market output	0.0	0.0	0.0	0.0	0.0	0.0
P12	Output for own final use	0.0	0.0	0.0	0.0	0.0	0.0
P13	Non-market output	1.0	1.1	1.2	1.3	1.4	1.4
<i>Uses</i>							
P2	Intermediate consumption	0.5	0.5	0.6	0.6	0.7	0.7
D21	Taxes on products	0.0	0.0	0.0	0.0	0.0	0.0
D31	Subsidies on products	0.0	0.0	0.0	0.0	0.0	0.0
B1g	Value added, gross / Gross domestic product	0.5	0.6	0.6	0.7	0.7	0.8
P51c	Consumption of fixed capital	0.0	0.0	0.0	0.0	0.0	0.0
B1n	Value added, net / Net domestic product	0.5	0.5	0.6	0.7	0.7	0.7

PRODUCTION ACCOUNT (current and basic prices)		S1 Total Economy excluding A03 and oil and gas exploration					
(millions of FKP)		2007	2008	2009	2010	2011	2012
<i>Resources</i>							
P1	Output	147.3	164.2	138.5	n/a	181.0	213.9
P11	Market output	110.7	125.6	101.5	n/a	141.8	171.0
P12	Output for own final use	4.3	4.5	4.6	n/a	5.7	6.7
P13	Non-market output	32.3	34.1	32.5	n/a	33.5	36.3
<i>Uses</i>							
P2	Intermediate consumption	86.3	96.3	78.4	n/a	108.8	136.9
D21	Taxes on products	0.0	0.0	0.0	n/a	0.0	0.0
D31	Subsidies on products	0.0	0.0	0.0	n/a	0.0	0.0
B1g	Value added, gross / Gross domestic product	61.0	67.9	60.1	n/a	72.2	77.1
P51c	Consumption of fixed capital	9.9	10.2	10.1	n/a	12.4	12.6
B1n	Value added, net / Net domestic product	51.1	57.7	50.0	n/a	59.8	64.5

PRODUCTION ACCOUNT (current and basic prices)		Oil exploration and development					
(millions of FKP)		2007	2008	2009	2010	2011	2012
<i>Resources</i>							
P1	Output	24.0	14.7	29.2	n/a	460.5	468.1
P11	Market output	1.8	1.3	4.8	n/a	201.4	178.8
P12	Output for own final use	22.2	13.4	24.4	n/a	259.1	289.3
P13	Non-market output	0.0	0.0	0.0	n/a	0.0	0.0
<i>Uses</i>							
P2	Intermediate consumption	22.8	14.4	25.8	n/a	408.3	414.5
D21	Taxes on products	0.0	0.0	0.0	n/a	0.0	0.0
D31	Subsidies on products	0.0	0.0	0.0	n/a	0.0	0.0
B1g	Value added, gross / Gross domestic product	1.2	0.3	3.4	n/a	52.2	53.6
P51c	Consumption of fixed capital	0.3	0.5	1.2	n/a	5.5	1.5
B1n	Value added, net / Net domestic product	0.9	-0.2	2.2	n/a	46.7	52.1

PRODUCTION ACCOUNT (current and basic prices)		A03 Fishing and aquaculture					
(millions of FKP)		2007	2008	2009	2010	2011	2012
<i>Resources</i>							
P1	Output	107.6	145.7	126.2	162.4	195.3	194.5
P11	Market output	107.6	145.7	126.2	n/a	195.3	194.5
P12	Output for own final use	0.0	0.0	0.0	n/a	0.0	0.0
P13	Non-market output	0.0	0.0	0.0	n/a	0.0	0.0
<i>Uses</i>							
P2	Intermediate consumption	63.7	92.7	93.2	95.8	133.9	126.8
D21	Taxes on products	0.0	0.0	0.0	n/a	0.0	0.0
D31	Subsidies on products	0.0	0.0	0.0	n/a	0.0	0.0
B1g	Value added, gross / Gross domestic product	43.8	53.1	32.9	66.6	61.3	67.7
P51c	Consumption of fixed capital	4.6	4.0	3.6	n/a	2.7	3.1
B1n	Value added, net / Net domestic product	39.3	49.1	29.3	n/a	58.6	64.7

Technical notes

- For oil related activities all corporations that had activities in Falkland Islands territory and liable to pay Falkland Islands taxes have been included.
- Oil companies that hold licenses and rights for oil exploration and development in the Falkland Islands have been treated differently from other companies. Capitalised exploration and appraisal costs have been included in output for own final use and intermediate consumption whereas general overheads have been excluded from output for own final use.
- Most of the source data for compiling the GDP dataset is based on tax returns data. At the moment of compilation not all companies had sufficient detailed data available on their tax return and for that reason some alternative data sources were used or estimates made. No corporate surveys specifically designed for national accounts were used.
- The tax return data set contains a considerable amount of unspecified cost of sales and administration costs for corporations. This may result in an overestimation of intermediate consumption and consequently an underestimation of value added.
- Agricultural production for own final use has not been accounted for.
- Compared to previous compilations of Falkland Islands national accounts the scope has been broadened significantly by including e.g. oil related companies more extensively. The method of calculating the production account has also been refined particularly with respect to defining intermediate consumption.
- Within the government accounts, as a change from previously compiled accounts, Air Transport, Transport Ancillaries, PWD Balance, and FIPASS are considered non-market output. It was determined they do not sell their services at economically significant prices. Government services that are now considered market output include PWD Electricity, PWD Housing, PWD Quarry and asphalt, Post and Telegraph. In addition Falkland Islands Meat Company and Falklands Landholdings are now considered market output, while Falkland Islands Development Corporation, Falkland Islands Tourist Board, and Public Accounts Committee, are considered non-market output under general government institutional accounts.
- Mount Pleasant Complex (MPC) is considered 'rest of the world' territory for the purposes of national accounts. Units operating exclusively in MPC have been excluded as non-resident.
- For fishing companies all type B licence holders are considered non-resident.