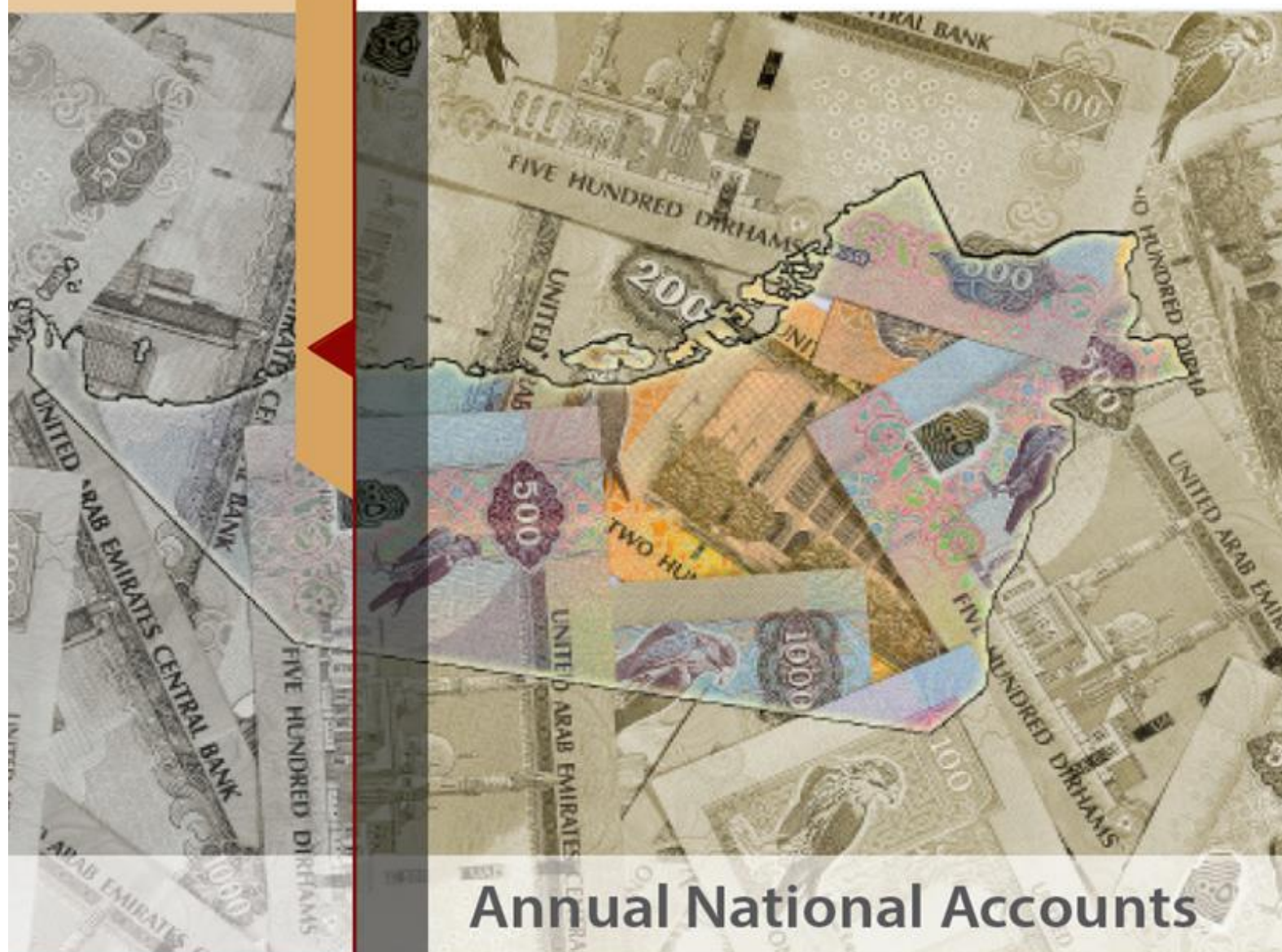




مركز الإحصاء
STATISTICS CENTRE



Annual National Accounts

Gross Domestic Product at constant price

2011-2015

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Introduction

This publication includes Gross Domestic Product (GDP) and related statistics in constant prices for the Emirate of Abu Dhabi.

GDP estimates in constant prices remove the effect of price changes, and thus reflect the actual change in the economy. The price component is essentially a price index, and referred to as the GDP deflator. The GDP deflator is a measure of average prices in the economy for a particular time period. GDP at constant prices is a measure of the quantity of goods and services produced for that same time period.

The preparation of national accounts depends on several sources of statistical data, notably the economic surveys conducted every year through full coverage of large institutions, while only a representative sample of small institutions is selected. To improve the quality and comprehensiveness of estimates, the data of annual economic surveys conducted in 2013 was adopted based on the comprehensive framework provided by the 2010 economic census, which is an enumeration of economic establishments, and the updates carried out on the framework through the Framework-Updating project. This procedure is one of the internationally adopted practices used to improve the quality and comprehensiveness of estimates. It achieves the objectives of the Centre in the provision of highly credible data for use in the areas of analysis and also in setting economic policies and conducting research.

The National Accounts indicators in this publication were prepared in accordance with the System of National Accounts 1993. In order to provide greater benefits for the users of national accounts' data, the Statistics Centre - Abu Dhabi has compiled quarterly estimates of the Gross Domestic Product (GDP) based on quarterly field surveys through which data and indicators of various economic activities are collected for use in the preparation of GDP estimates. In addition, the methodologies and periodicity of several field surveys on the prices of various products were updated for preparing price indices, such as the consumer price index and the price indices of industrial producers. These figures have been prepared on a monthly and quarterly basis for use in the calculation of gross domestic product at constant prices.

The Gross Domestic Product can be estimated using three different methods, namely the production, income, and expenditure methods. When any particular methodology is adopted and used, different data sources must be used to estimate the Gross Domestic Product (GDP). These methods are not to substitute each other, but are complementary instead, as some activities may not be assessed or estimated, for example, except by the income method, while other activities may be better estimated using the production method or the expenditure one, depending on the nature of available data and how easy or difficult it is to access such data. However, in this publication the production method which subtract intermediate consumption from total production was used..

Key Points

- GDP at constant prices increased by 6.3% in 2015 to AED 780.0 billion compared with an increase of 4.4% in 2014 and value added of AED 733.8 billion .
- The value added of oil activities at constant prices increased by 5.0% in 2015 to AED 384.0 billion compared with AED 365.8 billion and a growth rate of 0.5% in 2014 .
- The contribution of oil activities decreased to 49.2% in 2015 compared with 49.8% in 2014.
- Construction was the main non-oil activity contributing to the total GDP at constant price in 2015, with a share of 12.0% in total GDP and with value added of AED 93.8 billion, compared with a share of 12.2 % and value added of AED 89.7 billion in 2014.
- 'Manufacturing activities' contribution to GDP at constant prices increased from 5.8% in 2014 to 6.1% in 2015.
- The 'Real estate' activities contributed 5.3% in 2015 compared with 5.1% in 2014.

Gross Domestic Product by Sectors at Constant Prices

The main sectors in the economy of the Emirate of Abu Dhabi are the non-financial corporations, financial and insurance corporations, public administration and defense, compulsory social security and activities of households as employers.

Following a growth rate of 3.9% in 2014, the value added by the 'Non-financial' sector' increased by 6.2% from AED 685.6 billion in 2014 to AED 728.0 billion in 2015. It contributed 93.3% to total GDP in 2015 compared with 93.4% in 2014.

The value added at constant prices by the 'Financial and insurance' sector increased by 9.3% to AED 58.0 billion in 2015, with a contribution of 7.4%. In 2014 the value added was AED 53.0 billion, with a growth rate of 18.2% and contribution of 7.2%.

The 'Public administration and defense; compulsory social security' value added at constant prices, was AED 30.1 billion in 2015 compared with AED 29.7 billion in 2014, while the contribution ratio was 4.1% and 3.9% respectively and the growth rates 5.0% and 1.2%.

Following an increase of 22.1% in 2014, the value added at constant prices by the 'Households as employers' sector increased by 16.2% from AED 3.2 billion in 2014 to AED 3.7 billion in 2015. It contributed 0.5% to the gross domestic product in 2015 compared with 0.4% in 2014.

Oil and Non-oil Gross Domestic Product at Constant Prices

Measured at constant prices, the GDP for non-oil activities rose by 7.6% in 2015 while oil activities rose by 5.0%. As a result, the contribution of non-oil activities to total GDP at constant prices increased from 50.2% in 2014 to 50.8% in 2015.

Gross Domestic Product by Activity at 2007 Prices

GDP at constant prices (base year 2007) increased by 6.3% in 2015, following an increase of 4.4% in 2014. 'Mining and quarrying' activities grew by 5.0% in 2015 compared with 0.5% in 2014. Non-oil GDP at constant prices rose by 7.6% in 2015, compared with 8.5% in 2014. Non-oil activities have shown stable and sustained strong growth since 2005 with the increases ranging between 5% and 9% during this period.

The main contributors to constant price non-oil activities in 2015, were 'Construction' with a share of 12.0% of the total GDP and 'Manufacturing' with 6.1%. The 'Real estate' activities contributed 5.3% and 'Financial and insurance' 7.4% in 2015. Mining and quarrying activities contributed 49.2% to total GDP in 2015.



*Preliminary estimates
Source: Statistics Centre - Abu Dhabi

Statistical Tables

Table 1: National accounts key statistics

Activities	2011	2012	2013	2014	2015*
GDP at constant 2007 prices (million AED)	641,831	672,668	702,941	733,825	779,984
GDP at constant 2007 prices (annual % change)	9.3	4.8	4.5	4.4	6.3
Oil value added at constant 2007 prices (million AED)	339,575	352,615	363,821	365,765	383,987
Oil value added at constant 2007 prices (annual % change)	11.7	3.8	3.2	0.5	5.0
Oil value added at constant 2007 prices (% contribution to total)	52.9	52.4	51.8	49.8	49.2
Non-oil value added at constant 2007 prices (million AED)	302,256	320,052	339,120	368,060	395,997
Non-oil value added at constant 2007 prices (annual % change)	6.7	5.9	6.0	8.5	7.6
Non-oil value added at constant 2007 prices (% contribution to total)	47.1	47.6	48.2	50.2	50.8

Source: Statistics Centre - Abu Dhabi

Figures may not sum to totals due to rounding

*Preliminary estimates

Table 2: Gross Domestic Product by economic activity at constant prices

Million AED

Activities	2011	2012	2013	2014	2015*
Total	641,831	672,668	702,941	733,825	779,984
Total Non-oil	302,256	320,052	339,120	368,060	395,997
Agriculture, forestry and fishing	5,006	5,264	5,383	5,468	5,755
Mining and quarrying (includes crude oil and natural gas)	339,575	352,615	363,821	365,765	383,987
Manufacturing	37,830	38,319	40,090	42,843	47,655
Electricity, gas, and water supply; waste management activities	16,798	18,076	18,589	20,514	23,386
Construction	83,759	85,077	85,545	89,738	93,807
Wholesale and retail trade; repair of motor vehicles and motorcycles	23,315	24,719	26,705	29,502	32,476
Transportation and storage	18,739	20,598	22,042	23,820	25,452
Accommodation and food service activities	7,314	7,428	7,921	8,429	8,979
Information and communication	18,808	18,409	18,469	20,692	21,779
Financial and insurance activities	27,462	33,043	44,886	53,042	57,953
Real estate activities	27,384	31,810	31,757	37,167	41,245
Professional, scientific and technical activities	15,761	14,930	15,137	15,502	15,745
Administrative and support service activities	7,932	7,952	8,037	8,588	9,216
Public administration and defence; compulsory social security	20,738	23,991	28,327	29,748	30,090
Education	7,287	7,385	7,748	8,103	8,440
Human health and social work activities	3,612	5,114	6,800	7,505	8,047
Arts, recreation and other service activities	2,146	2,295	1,940	1,955	2,024
Activities of households as employers	1,470	1,695	2,583	3,153	3,664
Imputed Bank Services	-23,102	-26,053	-32,842	-37,705	-39,716

Source: Statistics Centre - Abu Dhabi

Figures may not sum to totals due to rounding

*Preliminary estimates

Table 3: Annual growth rates of the GDP by economic activity at constant prices

%

Activities	2011	2012	2013	2014	2015*
Total	9.3	4.8	4.5	4.4	6.3
Total Non-oil	6.7	5.9	6.0	8.5	7.6
Agriculture, forestry and fishing	11.5	5.2	2.3	1.6	5.3
Mining and quarrying (includes crude oil and natural gas)	11.7	3.8	3.2	0.5	5.0
Manufacturing	17.9	1.3	4.6	6.9	11.2
Electricity, gas, and water supply; waste management activities	9.1	7.6	2.8	10.4	14.0
Construction	0.6	1.6	0.6	4.9	4.5
Wholesale and retail trade; repair of motor vehicles and motorcycles	-2.1	6.0	8.0	10.5	10.1
Transportation and storage	12.4	9.9	7.0	8.1	6.9
Accommodation and food service activities	25.6	1.6	6.6	6.4	6.5
Information and communication	-1.9	-2.1	0.3	12.0	5.3
Financial and insurance activities	6.7	20.3	35.8	18.2	9.3
Real estate activities	25.7	16.2	-0.2	17.0	11.0
Professional, scientific and technical activities	4.3	-5.3	1.4	2.4	1.6
Administrative and support service activities	19.3	0.2	1.1	6.8	7.3
Public administration and defence; compulsory social security	7.7	15.7	18.1	5.0	1.2
Education	5.2	1.4	4.9	4.6	4.2
Human health and social work activities	50.8	41.6	33.0	10.4	7.2
Arts, recreation and other service activities	-29.3	6.9	-15.5	0.7	3.5
Activities of households as employers	11.5	15.3	52.4	22.1	16.2
Imputed Bank Services	17.1	12.8	26.1	14.8	5.3

Source: Statistics Centre - Abu Dhabi

Figures may not sum to totals due to rounding

*Preliminary estimates

Table4:Percentage distribution of the GDP by economic activity at constant prices

%

Activities	2011	2012	2013	2014	2015*
Total	100	100	100	100	100
Total Non-oil	47.1	47.6	48.2	50.2	50.8
Agriculture, forestry and fishing	0.8	0.8	0.8	0.7	0.7
Mining and quarrying (includes crude oil and natural gas)	52.9	52.4	51.8	49.8	49.2
Manufacturing	5.9	5.7	5.7	5.8	6.1
Electricity, gas, and water supply; waste management activities	2.6	2.7	2.6	2.8	3.0
Construction	13.1	12.6	12.2	12.2	12.0
Wholesale and retail trade; repair of motor vehicles and motorcycles	3.6	3.7	3.8	4.0	4.2
Transportation and storage	2.9	3.1	3.1	3.2	3.3
Accommodation and food service activities	1.1	1.1	1.1	1.1	1.2
Information and communication	2.9	2.7	2.6	2.8	2.8
Financial and insurance activities	4.3	4.9	6.4	7.2	7.4
Real estate activities	4.3	4.7	4.5	5.1	5.3
Professional, scientific and technical activities	2.5	2.2	2.2	2.1	2.0
Administrative and support service activities	1.2	1.2	1.1	1.2	1.2
Public administration and defence; compulsory social security	3.2	3.6	4.0	4.1	3.9
Education	1.1	1.1	1.1	1.1	1.1
Human health and social work activities	0.6	0.8	1.0	1.0	1.0
Arts, recreation and other service activities	0.3	0.3	0.3	0.3	0.3
Activities of households as employers	0.2	0.3	0.4	0.4	0.5
Imputed Bank Services	-3.6	-3.9	-4.7	-5.1	-5.1

Source: Statistics Centre - Abu Dhabi

Figures may not sum to totals due to rounding

*Preliminary estimates

Table 5: Gross domestic product at constant prices by sector

Million AED

Activities	2011	2012	2013	2014	2015*
Total	641,832	672,668	702,941	733,825	779,984
Non-Financial Corporations	615,264	639,992	659,987	685,588	727,994
Financial and insurance activities	27,462	33,043	44,886	53,042	57,953
Public administration and defence; compulsory social security	20,738	23,991	28,327	29,748	30,090
Activities of households as employers	1,470	1,695	2,583	3,153	3,664
Imputed Bank Services	-23,102	-26,053	-32,842	-37,705	-39,716

Source: Statistics Centre - Abu Dhabi

Figures may not sum to totals due to rounding

*Preliminary estimates

Table 6: Growth rate of Gross Domestic Product at constant prices by sector

%

Activities	2011	2012	2013	2014	2015*
Total	9.3	4.8	4.5	4.4	6.3
Non-Financial Corporations	9.8	4.0	3.1	3.9	6.2
Financial and insurance activities	6.7	20.3	35.8	18.2	9.3
Public administration and defence; compulsory social security	7.7	15.7	18.1	5.0	1.2
Activities of households as employers	11.5	15.3	52.4	22.1	16.2
Imputed Bank Services	17.1	12.8	26.1	14.8	5.3

Source: Statistics Centre - Abu Dhabi

Figures may not sum to totals due to rounding

*Preliminary estimates

Table 7: Contribution of economic sectors in the gross domestic product at constant prices

%

Activities	2011	2012	2013	2014	2015*
Total	100	100	100	100	100
Non-Financial Corporations	95.9	95.1	93.9	93.4	93.3
Financial and insurance activities	4.3	4.9	6.4	7.2	7.4
Public administration and defence; compulsory social security	3.2	3.6	4.0	4.1	3.9
Activities of households as employers	0.2	0.3	0.4	0.4	0.5
Imputed Bank Services	-3.6	-3.9	-4.7	-5.1	-5.1

Source: Statistics Centre - Abu Dhabi

Figures may not sum to totals due to rounding

*Preliminary estimates

Explanatory Notes

Compilation framework

The statistics has been compiled using the System of National Accounts 1993 international framework.

Classification framework

The International Standard Industrial Classification Rev4 (ISIC4) is used for the compilation of the statistics by economic activity. The detailed data are published at the section (1 digit) level of ISIC4 with two exceptions. D-Electricity, gas, steam and air conditioning supply and E-Water supply; sewerage, waste management and remediation which are combined into Electricity, gas and water supply; waste management activities due to the small size of the latter. R-Arts, entertainment and recreation and S-Other service activities have been combined into Arts, recreation and other service activities due to the small size of both. More information on ISIC4 can be found at the following address:

<http://unstats.un.org/unsd/cr/registry/isic-4.asp>

The methodology used in the preparation of GDP estimates at the fixed prices:

1. Definition of Gross Domestic Product (GDP)

The Gross Domestic Product (GDP) is the monetary (market) value of all the finished goods and services produced by resident institutional units within a given economy and a specific period of time (usually one year). From this definition, we can deduce that the GDP data must include time and location dimensions: while the time dimension refers to the reference period represented by the data such as a calendar year or part thereof (quarterly, for example). The spatial dimension refers to the place of production of goods and services: it represents the goods and services produced within the boundaries of a particular geographic area by economic units residing within this area (Emirate of Abu Dhabi). Individuals and enterprises are considered to be residing in the economy that constitutes the center of their economic interest. This means they will be residing in this economy with an important part of their economic activities based therein and stay for a long time (one year or more). Therefore, the concept of residence is an economic concept, not related to the legal concept of residence, and must not be linked to nationality or citizenship; however, enterprises are always considered to be residing in the country in which they are based, which is consistent with the concept of residence as a place of economic interest, since practicing a productive activity is not usually occurring without an intent to stay for one year or more.

2. Methods of GDP Calculation:

There are three ways of calculating GDP, but it must be noted that these methods are considered as integrated methods that complement each other instead of being alternatives.

A– Production Method:

Measuring the Gross Domestic Product (GDP) using this method involves only the market value of finished goods and does not involve the value of primary and intermediate goods that contributed to the production of such finished goods.

The GDP is calculated as the value added in all economic activities. This value added is equal to the difference between the total value of production and the value of intermediate consumption.

This method is used in all activities operating in the Emirate of Abu Dhabi, with the exception of the general government activity and home ownership activity.

B - Expenditure Method:

Total Expenditure (GDP using the expenditure method) = Household final consumption expenditure (consumption expenditure of the domestic sector) + investment expenditure (gross fixed capital formation + change in inventory) + general government final consumption expenditure + net foreign transactions (exports minus imports).

It should be noted that investment by individuals may not be considered to be an investment in the economic accounting framework, as buying shares in an existing company by an individual is regarded as an investment by such individual, but at an aggregated (country) level it is regarded as a mere transfer of ownership or title.

C- Income method:

Income based GDP is calculated by adding earnings (compensation of employees, interest and rent) from the factors of production (labor and capital) plus taxes less subsidies, in order to obtain a measure similar to the production and expenditure methods of GDP. Included in the compensation of employees are salaries, wages and other benefits allocated to employees.

Production Units

Production units are classified within production sectors by their economic activity as follows:

The Industrial Sector: It includes all resident production units and other similar units that produce goods and services to sell at prices that would cover at least the production costs. It also includes the

government units that produce goods and services sold to the public at economically significant prices, the non-profit private units that serve mainly the various production units, and the real estate activity including the residential building rental activity and the residential buildings used by their owners, where a rental value they pay for the real estate activity is imputed. The economic activities operating in this sector are classified in accordance with the International Standard Industrial Classification for all economic activities, fourth revision (ISIC Rev.4).

Producers of Government Services: This sector includes all departments, institutions, and bodies affiliated with the local government, the independent institutions involved in activities relating to public administration, defense, health, education and social services, whether such activities are financed from regular special budgets or by additional budget funds. Also included are the other public institutions that provide services for free or at low cost which is not economically important such as health and education services and some other services provided by the government authorities to the population, and the share of the Emirate of Abu Dhabi from the federal government spending.

Methodology Used and Data Sources:

The Statistics Centre Abu Dhabi depends in the GDP calculation, as is the case in other countries, on a range of international methodologies, standards, and definitions issued by the Statistics Division of the United Nations, the International Monetary Fund and other international bodies; therefore, the methodology used are well in line and consistent with the international recommendations. The Centre observes and adheres to the application of these standards and methodologies with the necessary professionalism using scientific fundamentals while taking into consideration the statistical requirements of the Emirate of Abu Dhabi.

The GDP calculation is based on the financial data collected from the institutions operating in the Emirate of Abu Dhabi in addition to the public finance data (government budget). As is well known, the Emirate of Abu Dhabi is part of the United Arab Emirates and the accounts of some companies and institutions are overlapping, because they have their headquarters based in the Emirate of Abu Dhabi, yet they have branches in other emirates and vice versa.

In order for the calculated GDP to represent the Emirate of Abu Dhabi only, the financial data of the companies must be processed to reflect the production activity in the Emirate of Abu Dhabi only, while excluding any production values from activities taking place outside the Emirate. As the accounts of companies reflect their overall activity, the Centre follow best practice methodology to separate the activity carried out in the Emirate of Abu Dhabi only, which is done through direct cooperation with enterprises. If the accounts cannot be separated, the share of the Emirate of Abu Dhabi from the overall company activity is appraised in collaboration with the same institutions. This issue, for example, characterizes the economy of the Emirate of Abu Dhabi and is not necessarily relevant to other economic territories.

The economy of the Emirate of Abu Dhabi is characterized by the existence of a number of holding companies some of which take the form of family-owned businesses: for example, an individual investor

may own a group of companies engaged in a number of economic activities, with most of these companies under a single management while sharing some departments such as the administration and finance departments.

Activities	Constant price data source	Price deflator
Agriculture, forestry and fishing	Calculation(1)	Agriculture producer price index
Mining and quarrying (includes crude oil and natural gas)	Oil and related products production volumes data	Calculation(1)
Manufacturing	Calculation(1)	Consumer price index; Building materials price index; International commodity prices; Calculation(1)
Electricity, gas, and water supply; waste management activities	Electricity and water production data	Calculation(1)
Construction	Calculation(1)	Building materials price index
Wholesale and retail trade; repair of motor vehicles and motorcycles	Calculation(1)	Consumer price index
Transportation and storage	Air and water transportation volumes data; Calculation(1)	Consumer price index; Calculation(1)
Accommodation and food service activities	Hotel guest nights; Calculation(1)	Consumer price index; Calculation(1)
Information and communication	Calculation(1)	Consumer price index
Financial and insurance activities	Calculation(1)	GDP price deflator
Real estate activities	Population data; Calculation(1)	Consumer price index
Professional, scientific and technical activities	Calculation(1)	Consumer price index
Administrative and support service activities	Calculation(1)	Consumer price index
Public administration and defence; compulsory social security	Calculation(1)	Consumer price index
Education	Number of pupils	Calculation(1)
Human health and social work activities	Calculation(1)	Consumer price index
Arts, recreation and other service activities	Calculation(1)	Consumer price index
Activities of households as employers	Number of staff employed by households	Consumer price index
Imputed bank services	Calculation(1)	GDP price deflator

Note 1: Calculation refers to the value or part of the value being calculated from data sources listed in the other columns via price deflation or volume extrapolation.

Therefore upon data collection, relying on the aggregate data of the company may result in the inaccurate

allocation of value added by economic activities. Therefore the Centre is working on collecting additional indicators, from the companies themselves, regarding each activity to calculate the share of each production activity, and the value-added and investment of each activity.

International statistical recommendations are issued in a way that enables their adoption by all countries regardless of how different their economic structure may be. Therefore the methodology followed by the Emirate of Abu Dhabi, for the calculation of the value added at the oil and gas activity,

is consistent with all countries in which this kind of activity exists. There is a precise and specific definition of production in this activity and also a precise and specific definition of production requirements, with the only difference between countries, whether in respect of this activity or regarding any other activity, being in the availability of data of high accuracy and credibility.

The Centre depends, in the methodology of calculating the GDP, on a number of international guides, mainly the System of National Accounts 1993. The International Standard Industrial Classification for all economic activities, fourth revision (ISIC Rev.4) has been used for the compilation of the statistics by economic activity.

Data sources

Economic surveys conducted by the Statistics Centre – Abu Dhabi are the main source of data. In addition to that, many other data sources were also used to obtain the best statistical estimates. These data sources include consumer price indices, agricultural producer price indices, construction material price indices, crude oil price indices, natural gas price indices, price indices of oil derivatives, the quantities of crude oil and natural gas, government financial data, administrative data from government and non-government agencies, and data of other surveys.

The following table shows the main data sources currently used in the compilation of the national accounts. It should be noted that the data sources will change over time as more data sources are developed and improved.

Constant price methodology

The constant price statistics have been calculated using different methodologies to remove the price effect. The two methods used are price deflation and volume extrapolation. Price deflation requires that a current price series is divided by a price deflator series; this creates a constant price series. Volume extrapolation requires a current price series and a volume indicator series. This method applies the growth rates of the volume indicator series to the current price series in the base year to create a constant price series.

Reference and base year 2007

The constant price statistics have a reference and base year of 2007. This means that the constant price series are in the prices of the 2007 year and that the current price and constant price levels will be the same in this year. This also means that the weights used in the calculation of the constant price statistics are predominantly based on 2007 data. The year 2007 was chosen since the majority of the weights are available in this year, particularly the consumer price index, which has a 2007 base year and is one of the key price deflators used.

Survey frame update

The economic surveys performed by SCAD are based on a comprehensive frame of unit record data, maintained by SCAD. This register is used in the selection and weighting of surveyed establishments. In 2010 SCAD undertook a large scale project to update the frame and a newly updated frame has been completed and used for the AES 2009. This created significant change in the level of some activities and partly contributed to the increased data variance between the 2008 and 2009 years. The variance is due to the birth or death of establishments to the survey frame, as well as the change in details (such as size and activity) of establishments common to the old and the new frames.

Quality of GDP estimates

International recommendations suggest the need to apply some quality standards in statistical data to ensure that such data represents the reality with a high degree of credibility. To ensure quality GDP data, the Data Quality Assessment Framework provide the principles for the purpose of ensuring the quality of national accounts. It was issued by the International Monetary Fund in July 2003 and the Centre is working on applying these quality guidelines.

Challenges and difficulties

Perhaps the most prominent difficulties facing the national accountant in Abu Dhabi is in dealing with the Emirate as a region within the country, while international methodologies address indicators relating to national accounts, mainly the GDP at the country level. Some of these difficulties result from the collection of financial data from establishments and the overlap of accounts between the branches and the main offices with other Emirates. The other difficulties are centered in the data that reflect the relationship of Abu Dhabi's economy with the economies of other countries and other emirates, as these relationships result in cash flows in and out the Emirate that cannot be calculated at present. Cash transactions undertaken with other countries can be calculated by the Central Bank at the country level but not at the level of the Emirate, which results in the inability to calculate the following indicators at present:

1. Gross National Product (GNP): it is the GDP \pm net income of production factors from the rest of the world (other countries). This item is usually obtained from the statistics of the balance of payments prepared by the Central Bank and currently prepared at the country level.

2. National Disposable Income: It is the Gross National Product (GNP) \pm the net current money transfers from the rest of the world (other countries). This item is also usually provided from the statistics of the balance of payments prepared by the Central Bank and currently available only at the country level.

3. Cash flows between the Emirate of Abu Dhabi and the other emirates: Outflows represent a decrease of disposable money in the economy of the Emirate, while inflows represent an addition to

the disposable money, but it is difficult at this time to determine the flows of goods and money between the Emirate and the other emirates because of the non-availability of registers where such transactions could be recorded in addition to the volume of similar transactions conducted by individuals and families.

Mitigation of these difficulties requires more financial and human resources to collect data pertaining to the Emirate and develop a mechanism and methodology by which we can assess these variables in line with the conditions that meet the basic requirements for the quality of the data.

Glossary of Terms and Abbreviations Used

AED: Arab Emirates Dirham

Accrual accounting: It is an accounting method in which the transaction is recorded at the same time when the economic value is created or its ownership is transferred, replaced, or amortized. This means that the transactions requiring change of ownership must be recorded as soon as the ownership is transferred, the services are recorded when provided, the production is recorded when achieved (when it becomes existent and the value is created), and the requirements/supplies are recorded when such materials and accessories are used. It is preferable that the accounting system works on the accrual basis as it is consistent with the method by which the activities and other economic flows are defined and also because this system can be applied to non-cash flows.

Cash basis accounting: It is an accounting method that shows the flows that generate cash payments before the final due date without incurring additional costs or fines. It also shows, in addition to that, the actual cash payments at the very moment on which they are paid. The time period between the moment when the payment becomes due and the time when that payment is actually made is bridged by recording dues (on receipt or on payment) in the financial accounts.

Residence: The economy consists of all resident institutional units and is divided into sectors. An institutional unit is considered to be resident in a given country, when it has a center of economic interest in the economic territory of that country. It is said that it has a center of economic interest when it has a site from which it exercises its economic activity while it intends to continue to do so indefinitely or for more than one year.

The institutional unit: It is an economic entity that is capable, in itself, to acquire assets, assume the obligations, exercise economic activities, and engage in transactions with other entities. Due to the fact that institutional units are legal liability centers, they are the centers where decisions are made in respect of all aspects of economic life. There are two main types of institutional units where the requirements and qualifications of the institutional unit are met, namely persons in the form of households, and the legal and social entities recognized by law or the society as independent of their owners or those who control them.

Institutional sectors: The resident institutional units are grouped according to their main functions, behavior, and objectives. The key institutional sectors are: non-financial corporations, financial companies, the general government, the household sector and non-profit institutions serving families (households). The accounts of the rest of the world show the relationship between all the resident and non-resident units, and include the accounts of the rest of the world in the accounting structure of the system as an institutional sector.

The institution/establishment: an enterprise or part of an enterprise located at a single location where a single (non-ancillary) productive activity is exercised or a site where the principal production activity generates most of the value added.

Market institutions: They are institutions that produce goods or services to be sold in the market at prices of economic significance. The National Accounts System distinguishes between the institutions that produce for market purposes (market product), the institutions that produce for private end-use and the institutions that produce non-market products.

International Standard Industrial Classification (ISIC) of all economic activities: It is the industrial classification prepared by the United Nations for the classification of economic activities at different levels of detail.

Central Government: the units responsible for maintaining security and order and providing collective services for the benefit of the society as a whole. The political power of the central government extends over the entire territory of the country. The central government has the authority to impose taxes on the resident and non-resident units exercising economic activities within the state. Its political responsibilities include national defense and relations with foreign governments, and seeks to ensure that the social and economic system work efficiently through enactment of appropriate legislation and regulations. For this purpose, the central government incurs expenses on defense and security and public administration and transfers funds to other sectors or government units.

Households: a small group of people sharing the same home, combining some or all of their income and wealth, and consuming certain types of goods and services collectively, chiefly, housing and food. Households are often similar to families living under marital relations (family), but, the members of a household do not necessarily belong to the same family as long as they share resources and consumption. Paid servants, maids, or house employees are not part of the household even if housing and food are provided as in-kind consideration.

Non-profit institutions involved in market production: They are composed of producers incorporated as non-profit institutions, but selling most or all of their production at economically-significant prices. Schools, colleges, universities, clinics, and hospitals ... etc. are market producers because they charge fees which are determined based on production costs, and such costs are high-enough to have a significant impact on the demand for their services. Their production activities are to generate a production surplus or loss. Any surplus must remain within the institution, because it is prevented from distributing such profits to third parties. On the other hand, they can in view of their position as non-profit institutions manage to get additional funds and accept donations from others.

Non-profit institutions serving households: They are non-profit institutions offering goods and services (outputs) to households free of charge or at prices, which are not economically significant, such as charities, political parties, and sports and cultural clubs.

Production account: is the first account in a series of accounts in the system. It is where the activity of the production of goods and services is recorded and an equilibrium balance which is the total value added, equal to the output value minus the intermediate consumption is calculated. This account measures the contribution of a given individual product, industry, or sector in the GDP. The net added

value can be measured in this account by subtracting the consumption of fixed capital from the gross value added.

Key activities: are activities, the value added of which outweigh any other activity carried out by the same unit. The key activity classification is determined by reference to the International Standard Industrial Classification.

Secondary activities are secondary or auxiliary activities undertaken within the unit and produced in addition to the key activity. Its production must be appropriate for delivery outside the producing unit and the value added of the secondary activity must be less than the value added of the key activity.

Balance of Payments: it is the statistical statement that summarizes, for a limited period of time, all economic transactions conducted between an economic territory and the outside world.

Assets: are entities owned by organizational units (government / private / public ... etc.) the owner of which is expected to enjoy future privileges and advantages through acquiring or using them for a period of time and are of two types, financial and non-financial.

Fixed assets: are produced assets repeatedly or continuously used in production operations for a period of more than one year. Fixed assets do not only include machinery, equipment, and construction, but also various other assets such as trees and animals which are used repeatedly or continuously to produce other products, such as fruit or milk. They also include intangible assets such as computer software and programs and original artwork.

Compensation of Employees: are the dues for which employees would be entitled as a result of their participation in the production process whether such benefits or dues are obtained in cash or in kind and they include all benefits granted to employees, such as the advantages of housing and contributions paid by the institution for and on behalf of the worker such as health insurance, saving funds and other social contributions. Workers' compensations are the total remuneration, in cash or in kind, paid by the institution to the employee / worker in exchange for the work he/she did during the accounting period.

Production: An activity is carried out under the supervision and responsibility of an institutional unit that uses labor, capital, goods, and services as inputs to produce outputs of goods and services. There must be an institutional unit to bear the responsibility for the production process and own any goods produced as outputs or is entitled to receive a consideration or compensation for the service it provides.

Constant prices: This refers to the series which have been obtained by removing the effect of price changes over time from the values of flows or stocks of goods and services.

Production measure of GDP: Production less Intermediate consumption.

GDP per capita: This is calculated as GDP divided by the total population. GDP per capita is seen as an indicator of standard of living.

Gross Fixed Capital Formation: Gross fixed capital formation is measured by the total value of a producer's acquisitions, less disposals, of fixed assets during the accounting period plus certain additions to the value of non-produced assets (such as subsoil assets or major improvements in the quantity, quality or productivity of land) realized by the productive activity of institutional units.

Intermediary consumption: It consists of the value of goods and services consumed as inputs to the production process, with the exception of assets the consumption of which is restricted as consumption of fixed capital. Goods and services used may be transferred or wholly consumed in the production process, where some inputs may reappear after they are transformed and integrated with the outputs. There are inputs which are fully consumed such as electricity and similar services.

Oil activities: This refers to the Mining and quarrying (including crude oil and natural gas) activity only. This does not include related crude oil and natural gas activities such as refining, petrochemicals, distribution, or transport.

Non-oil activities: all economic activities after excluding the extractive industry (including crude oil and natural gas).

Preliminary estimates: estimates based on secondary data sources only. The users of such data should be aware that these initial estimates will be revised again once the data are provided by primary sources for the specific period of time.

Value added: gross value added is the production value minus the intermediate consumption value: it is a calculation of the extent of contribution of the individual production, industry, or sector to the GDP.

Growth rate: It is the set of relative changes taking place between two periods of time in a particular variable. The growth rate is calculated by dividing the value in the reference period by the value that existed in a previous period multiplied by 100% minus 100.

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Future publications

Data for the 2014 and 2015 reference year will also be available in the SCAD Statistical Yearbook 2016,

Contact

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