

# Rebased GDP- 2003

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**Contents**

|                                                             |    |
|-------------------------------------------------------------|----|
| 1. Introduction.....                                        | 4  |
| 1.1 National Accounts.....                                  | 4  |
| 1.2 Brief background of Rebasing in Maldives .....          | 5  |
| 1.1.1 Base year 1985.....                                   | 5  |
| 1.1.2 Base year 1995.....                                   | 5  |
| 2. Rebasing to 2003.....                                    | 6  |
| 2.1 Linking the series .....                                | 6  |
| 2.2 Main changes from 1995 series to 2003 series .....      | 8  |
| 3. Comparison of GDP estimates – 1995 and 2003 series ..... | 9  |
| Appendix.....                                               | 17 |
| Summary Tables - Rebased GDP- Constant Prices .....         | 17 |
| Summary Tables - Rebased GDP- Current Prices .....          | 19 |

**Figures**

|                                                                                                 |    |
|-------------------------------------------------------------------------------------------------|----|
| Figure 1: Comparison- Current price GDP 1995 series and 2003 series .....                       | 10 |
| Figure 2: Comparison- Constant price GDP 1995 series and 2003 series .....                      | 10 |
| Figure 3: Constant GDP growth rate 1995 series and 2003 series.....                             | 11 |
| Figure 4: Contribution to GDP by industry for 2003 at constant prices 1995 and 2003 .....       | 11 |
| Figure 5: Tourism sector value added in constant prices – 1995 series and 2003 series .....     | 12 |
| Figure 6: Tourism sector growth rates (constant prices) – 1995 series and 2003 series.....      | 13 |
| Figure 7: Trade sector growth rates (constant prices)– 1995 series and 2003 series .....        | 13 |
| Figure 8: Manufacturing sector growth rates (constant prices)– 1995 series and 2003 series..... | 14 |
| Figure 9: Education sector growth rates (constant prices) – 1995 series and 2003 series .....   | 14 |
| Figure 10: Health sector growth rates (constant prices)– 1995 series and 2003 series.....       | 15 |
| Figure 11: Implicit deflator – 1995 series and 2003 compared with CPI .....                     | 16 |

**Tables**

|                                                                                                                  |    |
|------------------------------------------------------------------------------------------------------------------|----|
| Table 1 : Conversion table from 1995 to 2003 .....                                                               | 7  |
| Table 2: Linked series – 1995 and 2003 .....                                                                     | 8  |
| Table 3: Comparison of growth rate between 1995 base year series and 2003 base year series .....                 | 9  |
| Table 4: Contribution to GDP of tourism sector – 2003 and 1995 series .....                                      | 12 |
| Table 5: Comparison of Implicit GDP deflator .....                                                               | 16 |
| Table 6: Summary of Gross Domestic Product, 1995 – 2013 (In million Rufiyaa at constant Prices of 2003)<br>..... | 17 |
| Table 7: GDP Growth Rates by Economic Activity, 1996-2013 (Constant Prices of 2003).....                         | 17 |
| Table 8: GDP Percentage Shares by Economic Activity, 1995-2013 (Constant Prices of 2003).....                    | 18 |
| Table 9: Summary of Gross Domestic Product, 2001 – 2013 (In million Rufiyaa at current prices).....              | 19 |
| Table 10: GDP Growth Rates by Economic Activity, 2002-2013 (Current Prices) .....                                | 19 |
| Table 11: GDP Percentage Shares by Economic Activity, 2001-2013 (Current Prices of 2003).....                    | 20 |

## 1. Introduction

The task of rebasing GDP, started with the compilation of the supply and use table for the year 2003, which was used as a benchmark to rebasing. The SUT 2003 was compiled by the national accounts staff under the close guidance of an external consultant in 2007. Upon the completion of the SUT, work has been underway to rebase GDP. In the rebased series extensive use was made of new available data, including annual accounts, government budget details, survey data, and price and unit value indices. The rebasing exercise took approximately 3 years to complete. Since its completion, fine tuning of the framework and the documentation of sources and methods have been prepared and would be published separately as *Sources and Methods of GDP Compilation – Base year 2003*.

This report provides a brief background of the national accounts system, the need for rebasing and brief history of rebasing in Maldives. It would also provide the conversion and linking methods used in deriving a consistency time series of GDP. Finally the report will analyse the differences between the two series, the major changes that has occurred due to the rebasing process and outlines the reasons for these changes.

### 1.1 National Accounts

In order to measure the development of the economy, all transactions taking place are classified and aggregated according to a set of rules contained in the UN's System of National Accounts. This activity is rather complex and due to changes in the economic structure of the country over time, requires modifications from time to time. Change in values measured in an economy can be due to changes in the underlying volumes and changes in the prices, but most often it is a combination of both. Comparison of the change in economic status over time is done best by monitoring changes in volumes, which is done in the so-called constant-price series.

However, there are various important uses of the actual changes in the economy; that is GDP at current prices. Most of the items used in the Balance of Payments and Government Finance statistics are needed as actual values rather than in estimated values in base-year prices. The trade balance and government tax revenues, for instance, are monetary values and have a counterpart in “money in the bank”. The two can only be reconciled if measured in the same way, that is, in actual, current prices.

Therefore, it is necessary to produce the national accounts series in both constant and current prices. Until now, emphasis has been on the constant-price series and only a broad overall estimate of GDP in current prices was produced. For much of the 1990s and the first years of this century, the effect of this simple estimation method were not large as inflation was very low during this period. However in the past five years or so, inflation has been picking up and constant and current-price estimates are diverging. A proper methodology for the preparation of the current-price estimates therefore has become important. The new series integrates the estimation of both series (and the deflators) whereby the available data for a series determine the procedure followed.

In the Maldives, for instance, the tourism sector is extremely important. The volume change in the tourism sector is measured fairly accurately by the number of tourist bed-nights<sup>1</sup>, which is available quickly after

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1 The main assumption is that the occupancy rate is similar for all types of accommodation, as the changes in accommodation types are small in the short run. During the peak tourist season this is no problem as there is close to full occupancy and the error that might be introduced due to the variation in occupancy rates in the low season

each month ends. The price change is derived from the producer price indices which are calculated using the average room rates<sup>2</sup> during a period. The resulting change in value can then be derived as the product of the two rates of change. In other words, the current-price estimate is derived from the volumes and deflators. After some time, the current-price estimate can be derived directly from the value added generated by the companies in the tourism sector, as this information is available in their annual accounts reports once those have been prepared and compiled for use in the national accounts. At that stage, the current estimates are also obtained from actual data and the deflators are derived as a residual. Both constant- and current-price estimates (and thus also the deflators) are now based on the best information that can be available and these provide therefore good, reliable information. However, the estimates are still based on the situation in the base year and this may not be the same as in the current period.

The older the base period, the larger the distortions will become. For the Maldivian tourism sector the distortion is created both by the opening of new resorts, which are mostly at the higher end of the market, and the improvements and expansions at existing resorts, which often encompass construction of water bungalows or other more luxurious accommodation types.

In other words, the average quality of the tourism product changes slowly, but significantly over time. The closure of the garment units when the Multi-Fibre Agreement came to an end in 2005 and the arrival of mobile telephones are a few other recent examples of developments in the economy that change its structure

## **1.2 Brief background of Rebasing in Maldives**

### **1.1.1 Base year 1985**

The first GDP series to be compiled for the Maldives under the international guidelines for national accounts compilation was based on 1985 prices. Nonetheless, the 1985-base year GDP series was rudimentary at best and had a number of coverage issues, including the lack of estimates for imputed rent of owner-occupied dwellings, and FISIM (Financial Intermediary Services Indirectly Measured).

### **1.1.2 Base year 1995**

In 2001, GDP was rebased for the first time in the Maldives to 1995 prices. A pilot Supply and Use Table was developed for the year 1995 and was used as a benchmark for the national accounts estimates. The annual national accounts (by industry) were prepared at constant prices with base year 1995. The compilation of the annual national accounts had been done in the framework of a “*Macro-Economic Budget*” (MEB). All these were undertaken with the help of national accounts experts, under two ADB technical assistance projects, for the development of a system of national accounts, implemented by the Statistics Division of DNP. For a detailed outline of the sources and methods of MEB refer to the document on “Sources and Methods of GDP Compilation - "Macro-Economic Budget Extrapolation (MEB) Approach”

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probably also small as only the relative change in the occupancy rates of the different classes during this period is relevant. Such patterns also may not change too much from one year to the next.

2 This estimate is not very strong as the room rates vary very much depending on demand, while the index mostly seems to capture the seasonal rack-rates only.

## 2 Rebasing to 2003

Rebasing of national accounts series means replacing the old base year used for compiling the constant-price estimates to a new, more recent, base year for computing the constant-price estimates. In SNA 1993, it is desirable to change base periods frequently. How often the base period is changed vary considerably from country to country. Some countries rebase within a periodicity of ten years while others rebase every five years. Since Maldives has experienced large changes in relative prices as well as rapid economic development, it is important to rebase regularly. It may be noted that not only the constant-price series is affected in a rebasing exercise but also the current-price series. For the latter, the individual item estimates are not affected but the aggregates are, as the relative importance of the different items has changed. Aggregation is, in simple terms, the computation of weighted averages of the individual changes and these weights change from one base-year to the next.

After more than ten years, the GDP estimates are now rebased to the year 2003. The rebasing exercise took longer than expected but when the activity was started in 2007; the year 2003 was the last “normal” year for which enough data was available, as the following years saw major impacts caused by the tsunami.

The years covered by the different national accounts series are summarized below. The overview includes information on base year, starting year of the series, the last year for which data in the series was compiled and the period covered.

| Base year | Revision year | Estimates start year | Estimates end year | Period covered ( in years) |
|-----------|---------------|----------------------|--------------------|----------------------------|
| 1985      |               | 1984                 | 2000               | 17                         |
| 1995      | 2001          | 1984                 | 2010               | 27                         |
| 2003      | 2011          | 2001                 |                    | 12 to date)                |

### 2.1 Linking the series

To provide a comparable series of important macroeconomic aggregates, it is very important to construct a linked national accounts series normally following a methodology that is either pure splicing or a combination of splicing and reworking. For users, it is important to have continuous series of national accounts available without breaks due to the change in base year. In linking the 2003 national accounts series to the previous data the following guidelines were followed:

- 1) Linking is undertaken at the most disaggregated level possible;
- 2) The linking of the national accounts series may be done for at least ten years back for the benefit of the users; and
- 3) To link the series, splicing is applied from 1995 to 2000. That is maintaining the growth rates of GDP and its components to back-track estimates and allow for residuals or balancing item. A complete reworking of the data has been done for 2001 and 2002.

Table 1 : Conversion table from 1995 to 2003

| In 2003 prices                                |                        | 1995 to 2003 GDP base conversion    |                                       |                      | In 1995 prices                                |               |
|-----------------------------------------------|------------------------|-------------------------------------|---------------------------------------|----------------------|-----------------------------------------------|---------------|
| Description                                   | Current prices<br>2003 | 2003 current<br>prices<br>regrouped | 2003 in 1995<br>prices -<br>regrouped | Conversion<br>factor | Description                                   | 2003          |
| Agriculture, Forestry and Mining              | 306.3                  | 306.3                               | 240.0                                 | 1.3                  | Agriculture                                   | 76.6          |
|                                               |                        |                                     |                                       |                      | Forestry                                      | 119.6         |
| Fishery                                       | 412.9                  | 412.9                               | 498.0                                 | 0.8                  | Fishery                                       | 498.0         |
| Mining                                        | 8.2                    | 8.2                                 | 43.7                                  | 0.2                  | Mining                                        | 43.7          |
| Manufacturing                                 |                        | 716.6                               | 642.6                                 | 1.1                  | Manufacturing                                 |               |
| - Fish preparation                            | 370.2                  |                                     |                                       |                      | - Fish preparation                            | 204.0         |
| - Food products                               | 11.2                   |                                     |                                       |                      | - Food products                               | 24.0          |
| - Beverages                                   | 35.6                   |                                     |                                       |                      | - Beverages                                   | 17.7          |
| - Apparel                                     | 138.9                  |                                     |                                       |                      | - Tobacco                                     | 9.7           |
|                                               |                        |                                     |                                       |                      | - Apparel                                     |               |
|                                               |                        |                                     |                                       |                      | - Export market                               | 139.4         |
|                                               |                        |                                     |                                       |                      | - Local market                                | 18.2          |
| - Wood planing & Furniture                    | 39.7                   |                                     |                                       |                      | - Wood planing & Furniture                    | 138.9         |
| - Paper, Printing & publishing                | 20.2                   |                                     |                                       |                      | - Paper, Printing & publishing                | 20.2          |
| - Soaps & Detergents                          | 0.0                    |                                     |                                       |                      | - Soaps & Detergents                          | 1.6           |
| - Cement products                             | 5.6                    |                                     |                                       |                      | - Cement products                             | 12.3          |
| - Shipbuilding & repair                       | 15.3                   |                                     |                                       |                      | - Shipbuilding & repair                       | 13.3          |
| - Other manufacturing                         | 80.0                   |                                     |                                       |                      | - Other manufact.                             | 43.3          |
| Electricity & water production & distribution | 254.0                  | 254.0                               | 275.0                                 | 0.9                  | Electricity & water production & distribution | 275.0         |
| Construction                                  | 710.0                  | 710.0                               | 264.9                                 | 2.7                  | Construction                                  | 264.9         |
| Trade                                         | 456.7                  | 456.7                               | 308.3                                 | 1.5                  | Trade                                         | 308.3         |
| Hotels & restaurants                          |                        | 3,929.0                             | 2,482.5                               | 1.6                  | Hotels & restaurants                          |               |
| - Resorts                                     | 3739.1                 |                                     |                                       |                      | - Resorts                                     | 2213.6        |
| - Other hotels & rest.                        | 189.9                  |                                     |                                       |                      | - Other hotels & rest.                        | 268.9         |
| Land transport                                | 57.4                   | 1,775.9                             | 1,078.8                               | 1.6                  | Land transport                                | 34.5          |
| Water transport                               | 154.4                  |                                     |                                       |                      | Water transport                               | 266.6         |
| Air transport                                 | 158.6                  |                                     |                                       |                      | Air transport                                 | 106.5         |
| Aux. Transport                                | 643.3                  |                                     |                                       |                      | Aux. Transport                                | 273.1         |
| Post & telecom.                               | 762.2                  |                                     |                                       |                      | Post & telecom.                               | 398.0         |
| Banking and Finance                           | 321.2                  | 337.3                               | 251.1                                 | 1.3                  | Banking and Finance                           | 244.0         |
| Insurance                                     | 16.1                   |                                     |                                       |                      | Insurance                                     | 7.0           |
| Real estate                                   | 227.1                  | 1,614.4                             | 550.0                                 | 2.9                  | Real estate                                   | 332.4         |
| Rent of Transport, mach.&equip                | 71.4                   | 142.5                               | 142.5                                 | 1.0                  | Rent of Transport, mach.&equip                | 91.0          |
| Business activities                           | 71.1                   |                                     |                                       |                      | Business activities                           | 120.1         |
| Imputed rent of owner-occupied dwellings      | 1,387.3                |                                     |                                       |                      | Imputed rent of owner-occupied dwellings      | 217.6         |
| Public. Adm. & Def.                           | 1,061.4                | 1,061.4                             | 943.3                                 | 1.1                  | Public. Adm. & Def.                           | 943.3         |
| Education                                     | 395.6                  | 395.6                               | 31.0                                  | 12.8                 | Education                                     | 31.0          |
| Health                                        | 175.6                  | 175.6                               | 73.6                                  | 2.4                  | Health                                        | 73.6          |
| Oth.com,soc&pers serv.                        | 117.1                  | 117.1                               | 39.6                                  | 3.0                  | Oth.com,soc&pers serv.                        | 39.6          |
| <b>Fisim</b>                                  | -255.1                 | -255.1                              | -299.9                                | 0.9                  | <b>Fisim</b>                                  | -299.9        |
| <b>GDP basic prices</b>                       | <b>12,158.3</b>        | <b>12,158.3</b>                     | <b>7,589.9</b>                        | <b>1.6</b>           | <b>GDP basic prices</b>                       | <b>7589.9</b> |

**Table 2: Linked series – 1995 and 2003**

|                                       | AT CONSTANT PRICES OF 1995 |                |                |                |                |                | Conversion factor | AT 2003 CONSTANT PRICES |                |                |                |                |                 |
|---------------------------------------|----------------------------|----------------|----------------|----------------|----------------|----------------|-------------------|-------------------------|----------------|----------------|----------------|----------------|-----------------|
|                                       | 1995                       | 1996           | 1997           | 1998           | 1999           | 2000           |                   | 1995                    | 1996           | 1997           | 1998           | 1999           | 2000            |
| Agriculture                           | 154.6                      | 159.7          | 162.6          | 165.5          | 168.8          | 174.7          | 1.3               | 197.3                   | 203.9          | 207.5          | 211.3          | 215.5          | 223.0           |
| Fishery                               | 335.1                      | 340.6          | 344.2          | 373.8          | 388.1          | 381.2          | 0.8               | 277.8                   | 282.4          | 285.4          | 309.9          | 321.8          | 316.1           |
| Mining                                | 30.9                       | 29.8           | 34.4           | 39.5           | 42.2           | 39.3           | 0.2               | 5.8                     | 5.6            | 6.4            | 7.4            | 7.9            | 7.4             |
| Manufacturing                         | 336.4                      | 335.2          | 388.8          | 435.4          | 483.3          | 505.1          | 1.1               | 375.1                   | 373.8          | 433.6          | 485.6          | 539.0          | 563.3           |
| Electricity Generation & distribution | 77.6                       | 108.0          | 133.1          | 156.4          | 178.5          | 203.9          | 0.9               | 71.7                    | 99.7           | 122.9          | 144.4          | 164.8          | 188.3           |
| Construction                          | 133.0                      | 123.9          | 161.4          | 209.4          | 238.7          | 205.8          | 2.7               | 356.4                   | 331.9          | 432.6          | 561.1          | 639.6          | 551.6           |
| Trade                                 | 234.1                      | 243.4          | 261.1          | 270.4          | 278.9          | 287.8          | 1.5               | 346.8                   | 360.5          | 386.7          | 400.6          | 413.2          | 426.3           |
| Hotels & restaurants                  | 1,473.9                    | 1,633.0        | 1,753.7        | 1,854.2        | 1,982.3        | 2,094.0        | 1.6               | 2,332.7                 | 2,584.4        | 2,775.6        | 2,934.7        | 3,137.3        | 3,314.1         |
| Transport and communication           | 477.8                      | 581.1          | 680.0          | 825.4          | 854.2          | 919.1          | 1.6               | 786.5                   | 956.6          | 1,119.5        | 1,358.7        | 1,406.3        | 1,513.1         |
| Financial Services                    | 150.9                      | 163.6          | 178.0          | 194.3          | 208.6          | 215.1          | 1.3               | 202.7                   | 219.8          | 239.2          | 261.1          | 280.2          | 289.0           |
| Real estate                           | 390.0                      | 411.1          | 434.6          | 460.6          | 483.9          | 496.7          | 2.9               | 1,144.7                 | 1,206.8        | 1,275.7        | 1,352.0        | 1,420.4        | 1,458.0         |
| Business Services                     | 129.0                      | 139.8          | 152.2          | 166.1          | 178.3          | 183.9          | 1.0               | 129.0                   | 139.8          | 152.2          | 166.1          | 178.3          | 183.9           |
| Public. Adm. & Def.                   | 399.5                      | 453.6          | 537.5          | 590.5          | 677.8          | 750.7          | 1.1               | 449.5                   | 510.4          | 604.8          | 664.4          | 762.7          | 844.7           |
| Education                             | 26.6                       | 27.2           | 27.8           | 28.3           | 28.9           | 29.5           | 12.8              | 339.7                   | 347.1          | 354.5          | 361.9          | 369.3          | 376.6           |
| Health                                | 63.2                       | 64.6           | 65.9           | 67.3           | 68.7           | 70.1           | 2.4               | 150.8                   | 154.1          | 157.3          | 160.6          | 163.9          | 167.2           |
| Oth.com,soc&pers serv.                | 34.0                       | 34.7           | 35.5           | 36.2           | 37.0           | 37.7           | 3.0               | 100.6                   | 102.8          | 104.9          | 107.1          | 109.3          | 111.5           |
| Fisim                                 | -174.9                     | -189.6         | -206.3         | -225.2         | -241.8         | -249.3         | 0.9               | -148.8                  | -161.3         | -175.5         | -191.6         | -205.7         | -212.1          |
| <b>GDP basic prices</b>               | <b>4,271.6</b>             | <b>4,659.7</b> | <b>5,144.6</b> | <b>5,648.2</b> | <b>6,056.6</b> | <b>6,345.5</b> |                   | <b>7,118.4</b>          | <b>7,718.4</b> | <b>8,483.5</b> | <b>9,295.3</b> | <b>9,923.8</b> | <b>10,322.0</b> |

In order to do splicing base year values of the 1995 series and the 2003 series are used to derive conversion factors for each industry separately. The previous base year values (in this case 1995 base year) are multiplied by the conversion factors to link the old series to the new series. This facilitates the historic comparison of the series. It can be observed from the table 1 and 2 that the highest conversion factor is education which stands at 12.8. The fact that there is such a large difference in the old series and the new series values for education is because the 1995 series lacked the information for estimation and grossly underestimates the sector. Some other sectors which show large differences include other community and social services, health, real estate and construction. The overall conversion factor between the two series is also significantly high at 1.6.

## 2.2 Main changes from 1995 series to 2003 series

The 1995 series was for the first time based on a comprehensive assessment of the economy using a Supply and Use Model (SUT). It incorporated the results of the 1995 Pilot SUT as well as the 1997 full SUT. However, the statistical data base was still weak with only the first rounds of the establishment surveys completed and the household survey not covering the atolls initially.

Since the 1990s many new surveys have been conducted and their quality improved with time. New analytical series such producer price indices, unit-values of external trade and the analysis of annual reports of incorporated enterprises were started.

The 2003 SUT was therefore based on a much stronger database. Many of the gaps in the 1997 SUT that had been filled with estimates or information from comparable countries were replaced by actual information in



the 2003 SUT. The new Supply and Use Table also benefited from the experience gained in the compilation of the earlier ones, thereby reducing errors in the complex procedure of balancing the model.

The rebased GDP series is directly linked to the results of the 2003 SUT for its base year. The actual time series for the new series starts at 2001 so that an overlap with the old series is available. In addition to the constant-price series compiled so far, it also includes a full series of GDP estimates in current prices.

The data base for the new GDP series has been enhanced as compared to the 1995 series, providing a much improved coverage of the economy. Moreover, developments in current and constant prices can be compared to ensure the most accurate estimates available. New series used includes producer price indices and unit value series for external trade, while a range of new monthly indicators has also become available and has been integrated into the estimates.

Please refer to *Sources and Methods of GDP Compilation – Base year 2003* for more detail and technical explanations.

### 3. Comparison of GDP estimates – 1995 and 2003 series

**Table 3: Comparison of growth rate between 1995 base year series and 2003 base year series**

| ISIC                   | 2001  | 2002   | 2003   | 2004   | 2005   | 2006   | Final  | Revised | Estimated | Provisional | Projected | Average<br>2001 to<br>2010 |
|------------------------|-------|--------|--------|--------|--------|--------|--------|---------|-----------|-------------|-----------|----------------------------|
|                        |       |        |        |        |        |        | 2007   | 2008    | 2009      | 2010        | 2011      |                            |
| <b>Constant prices</b> |       |        |        |        |        |        |        |         |           |             |           |                            |
| 2003 series            | 9,873 | 10,469 | 12,158 | 13,406 | 12,453 | 15,121 | 16,954 | 18,986  | 17,757    | 19,508      | 21,123    | 7.9%                       |
| Annual change          |       | 6.0%   | 16.1%  | 10.3%  | -7.1%  | 21.4%  | 12.1%  | 12.0%   | -6.5%     | 9.9%        | 8.3%      |                            |
| 1995 series            | 6,564 | 6,993  | 7,590  | 8,311  | 7,926  | 9,351  | 10,028 | 10,646  | 10,402    | 10,899      | 11,335    | 5.8%                       |
| Annual change          |       | 6.5%   | 8.5%   | 9.5%   | -4.6%  | 18.0%  | 7.2%   | 6.2%    | -2.3%     | 4.8%        | 4.0%      |                            |
| Change ratio           | 1.50  | 1.50   | 1.60   | 1.61   | 1.57   | 1.62   | 1.69   | 1.78    | 1.71      | 1.79        | 1.86      | 1.64                       |
| <b>Current prices</b>  |       |        |        |        |        |        |        |         |           |             |           |                            |
| 2003 series            | 9,650 | 10,425 | 12,158 | 13,552 | 12,538 | 16,414 | 19,336 | 22,909  | 22,295    | 24,428      | 27,292    | 10.9%                      |
| Annual change          |       | 8.0%   | 16.6%  | 11.5%  | -7.5%  | 30.9%  | 17.8%  | 18.5%   | -2.7%     | 9.6%        | 11.7%     |                            |
| 1995 series            | 7,651 | 8,201  | 8,863  | 9,939  | 9,596  | 11,717 | 13,496 | 16,131  | 16,879    | 18,941      | 21,282    | 10.6%                      |
| Annual change          |       | 7.2%   | 8.1%   | 12.1%  | -3.4%  | 22.1%  | 15.2%  | 19.5%   | 4.6%      | 12.2%       | 12.4%     |                            |
| Change ratio           | 1.26  | 1.27   | 1.37   | 1.36   | 1.31   | 1.40   | 1.43   | 1.42    | 1.32      | 1.29        | 1.28      | 1.34                       |

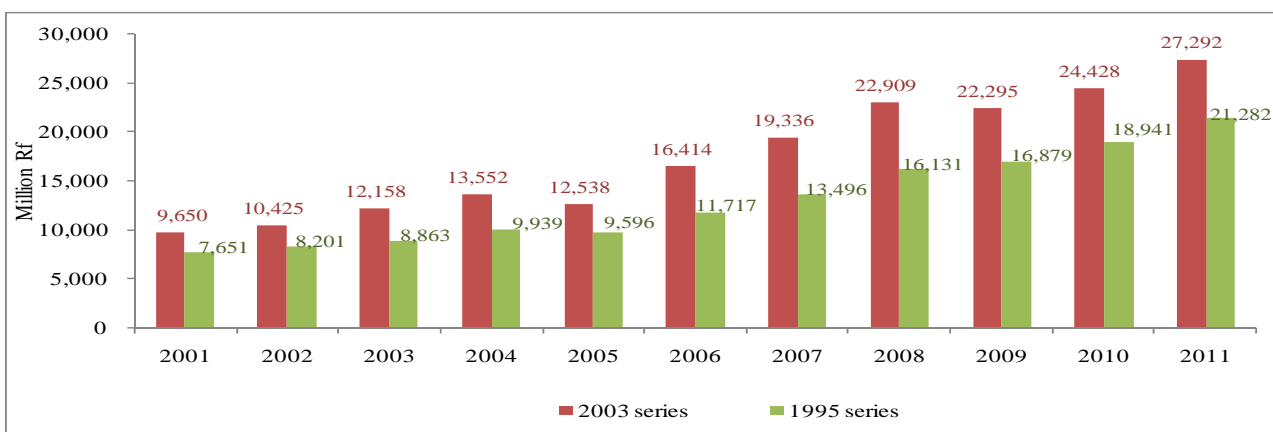
Table 3 shows, the constant price and current price GDP values and growth rates in the 1995 series and 2003 series. The average growth rate in 2003 constant price series over the 10 year period 2001-2010 is 7.9% while in the 1995 series it is 5.8%. The average change ratio for these years between the 1995 series and 2003 series for constant price is 1.64. This means that the rebased values of GDP at constant prices are generally higher by 64% over the years 2001 to 2010.

The average growth rate in 2003 current price series is 10.7% while in the 1995 series it is 10.6%. The average change ratio over the 10 year period 2001-2010 between the 1995 series and 2003 series for constant price is 1.33 indicating that rebased values of GDP at current prices are generally higher by 33% over the years 2001 to 2010.

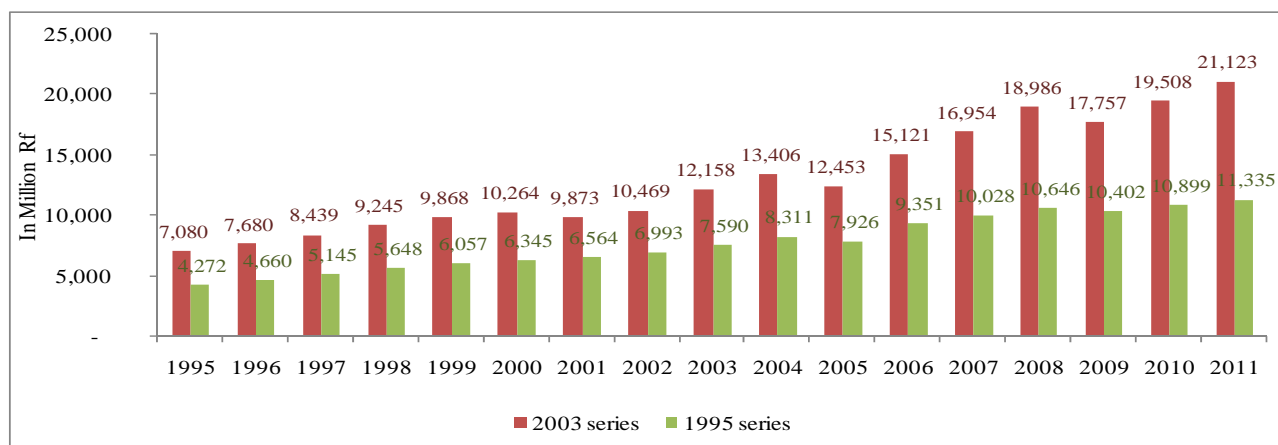
The current year 2011 projections also show a very significant increase in value of 86% for the constant price series while for the current price series there is an increase in value of 28%.

Although the current price estimates were calculated at industry level for the 1995 series for earlier years, this had to be discontinued due to lack of required data. Henceforth the current price GDP in the 1995 series was calculated using constant price estimate of GDP which were inflated using a combined index of CPI, PPI and government wage index. In the 2003 series the current-price estimates of GDP are based on the actual performance of the various sectors instead of the indicators used in the constant-price series. This is accomplished by integrating the analysis of the annual reports of companies into the system. The value added calculated from the Annual reports of the major companies operating in each sector are input in to the MEB framework. As soon as an adequate coverage of these is obtained (more than half the companies in an activity) the estimates based on short-term indicators are replaced by the actual performance reflected in those reports. As the availability of annual reports has lags by about two years, the provisional and projected GDP figures of 2010 and 2011 continue to be based on short-term indicators, but are anchored in the latest available year with full information for the relevant sectors. This difference in methodology in the two series would explain the nominal increase in value of GDP.

**Figure 1: Comparison- Current price GDP 1995 series and 2003 series**



**Figure 2: Comparison- Constant price GDP 1995 series and 2003 series**



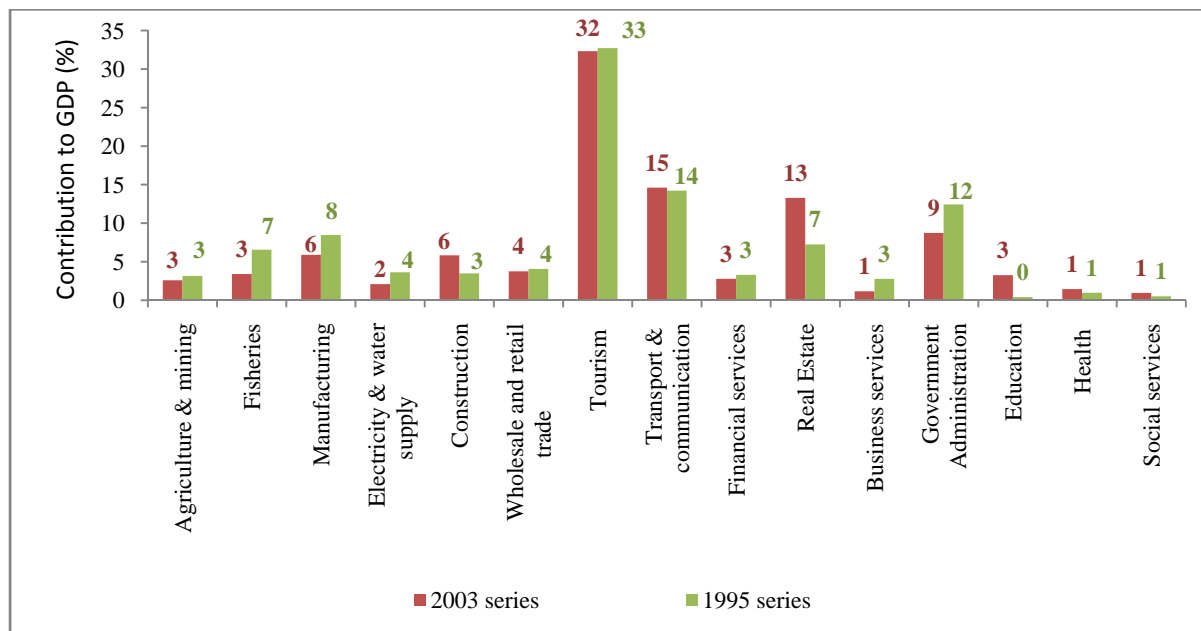
In principle, a change of base year in the national accounts involve changing the price and quantity base for the individual price and quantity relatives, and updating the weights used in aggregating the individual quantity relatives into sub-indices. At the same time, it serves to reconcile the different estimates of GDP and enables methodological and conceptual reviews and improvements. This has led to changes in the size of the GDP, growth rates and sectoral contributions. The most significant feature of the rebased series is a 60.2% increase in the size of the GDP in the base year 2003.

**Figure 3: Constant GDP growth rate 1995 series and 2003 series.**



The GDP growth rates of the two series have graphically been depicted in figure 3. It may be noted that the series shows a similar pattern.

**Figure 4: Contribution to GDP by industry for 2003 at constant prices 1995 and 2003**



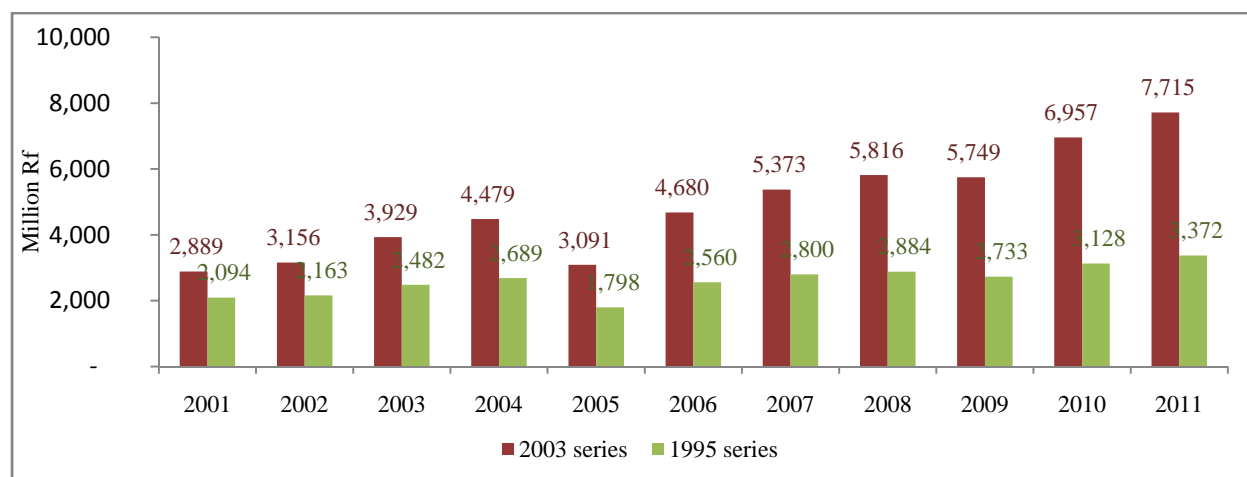
The structure of the Maldivian economy has remained largely the same in the eight years from 1995 to 2003 as seen from figure 3. For instance, it can be observed that the contribution of the industry have not varied

significantly. Some sectors such as the fisheries, manufacturing, government administration shows that their contribution has decreased in the 2003 series, this maybe the result of over estimation of these sectors in the 1995 series. The contribution to GDP from Tourism sector does not show a large variation in the year 2003. However as table 4 shows, the contribution of tourism sector increases over the years in the new series.

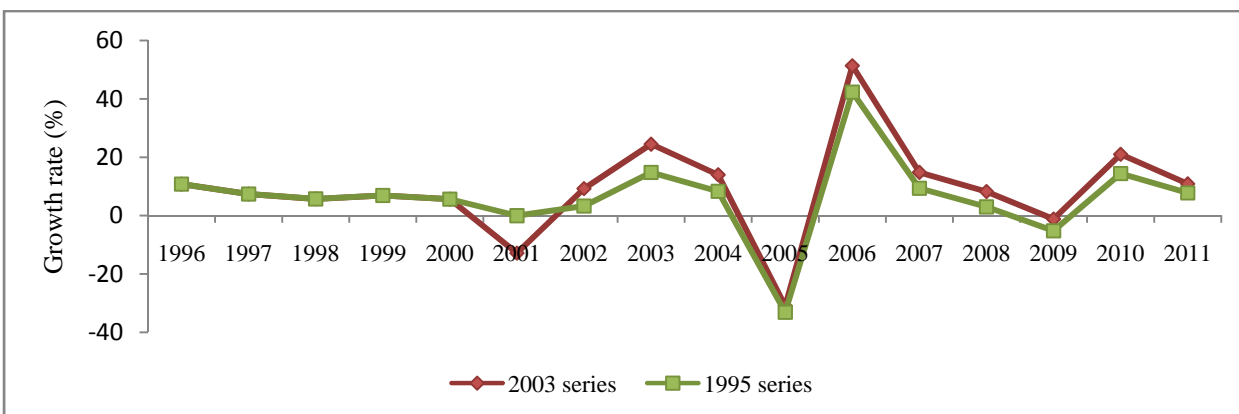
**Table 4: Contribution to GDP of tourism sector – 2003 and 1995 series**

| Year | 2003 series | 1995 series |
|------|-------------|-------------|
| 2003 | 32.3        | 32.7        |
| 2004 | 33.4        | 32.4        |
| 2005 | 24.8        | 22.7        |
| 2006 | 31.0        | 27.4        |
| 2007 | 31.7        | 27.9        |
| 2008 | 30.6        | 27.1        |
| 2009 | 31.8        | 26.3        |
| 2010 | 35.6        | 28.7        |

**Figure 5: Tourism sector value added in constant prices – 1995 series and 2003 series**

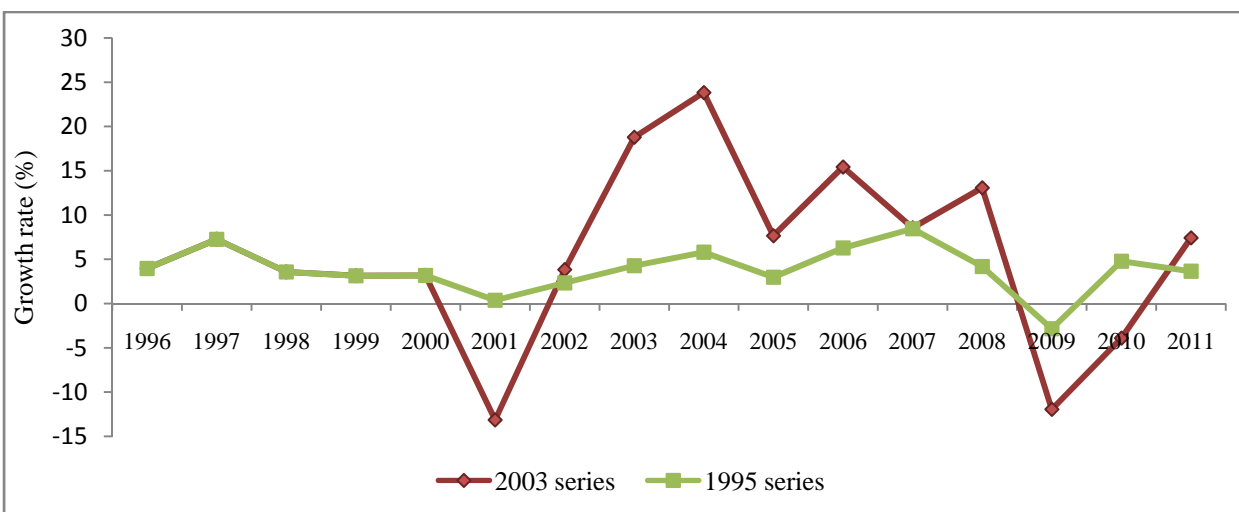


Tourism sector being the most important to the Maldivian economy also shows a 58.3% increase in the value added in rebased year 2003 compared to that of 1995. The main reason for the significant difference is that in the new series estimates of output in tourism include a quality change factor in addition to bed nights. Over the years, many new luxury resorts have opened and existing resorts have built water bungalows, etc. Room prices have gone up very much too. If we do not include a quality change, the whole change in room rates is inflation and that is not correct. As we have incomplete data (no star rating) the change in quality cannot be estimated directly.

**Figure 6: Tourism sector growth rates (constant prices) – 1995 series and 2003 series**

It can be noted from figure 6 that the growth rates in the tourism sector shows similar characteristics in both the 1995 series and the 2003 series.

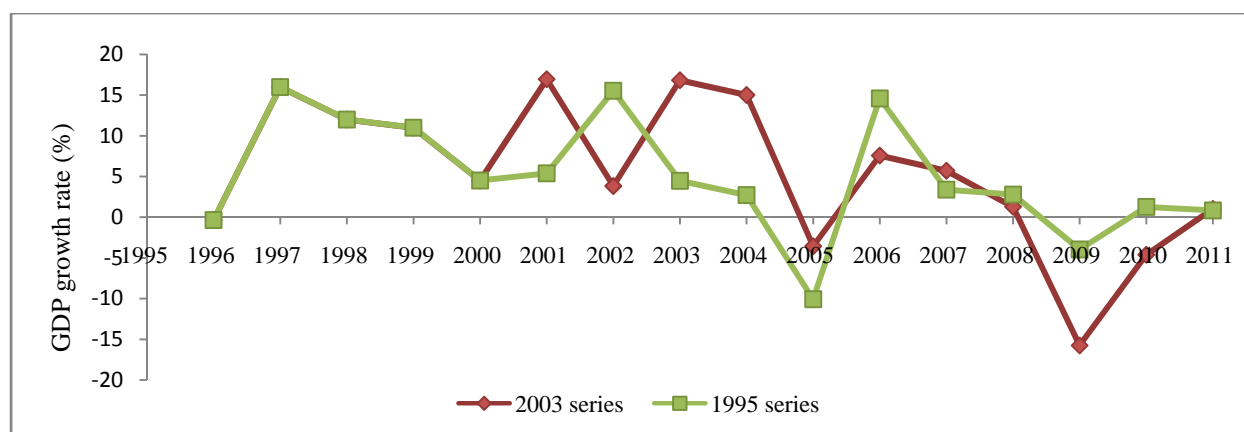
In contrast there are some sectors which show considerable variations in growth rates and patterns. One of the important sectors in this regard is the trade sector. Figure 7 below shows the differences between the trade sector growth rates in the two series. This is mainly due to a change in methodology. In the 1995 base year series trade sector was linked to imports of household goods. Experience showed that this did not depict a realistic picture of the sector performance. Hence in the 2003 series the sector has been linked to total imports (including tourism imports) plus an estimate for domestic supplies based on changes in population and elasticity (presently set at 1, so none in effect). This better reflects the buying patterns in the economy as much more is spent outside household consumption.

**Figure 7: Trade sector growth rates (constant prices)– 1995 series and 2003 series**

Manufacturing sector also portrays large differences in growth rates. This is driven by the change in methodology used in estimating the manufacturing of fish products, which accounts for more than half of the value added of manufacturing. In the 1995 series the manufacturing of fish products had been

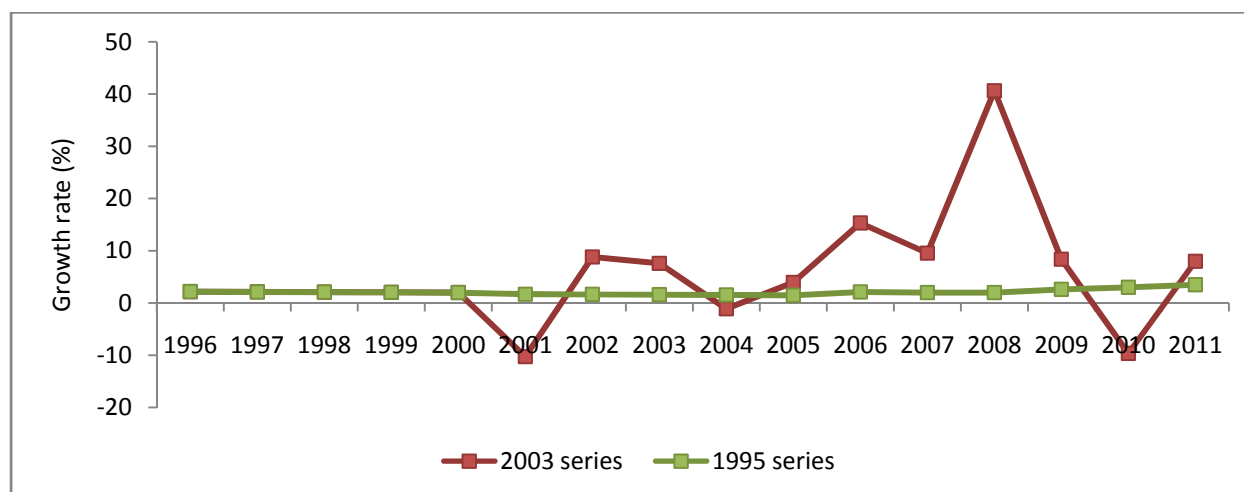
linked directly to MIFCO's canning and processing activities, while the remainder has been estimated on the basis of population growth (and elasticity of 1.0). However in the 2003 series the estimates have been linked to the export of prepared or preserved fish, fish fillets etc, and population growth rate and elasticity rate of 1.0. This is believed to show a better picture as at present in addition to MIFCO there are other companies which also operate at large scale in the industry.

**Figure 8: Manufacturing sector growth rates (constant prices)– 1995 series and 2003 series**



Health, Education and Social Services are also sectors which show very significant variations in growth rate. This is due to the fact that in the 1995 series, the performance of these sectors were linked to population growth whereas in the 2003 series, data for these sectors are obtained from the government budget (wages and salaries and consumption of fixed capital) for the public sector and the value added of private sector companies. This change in methodology caused a large and very significant growth rate differences in the two series as is illustrated in figure 9 and 10 below.

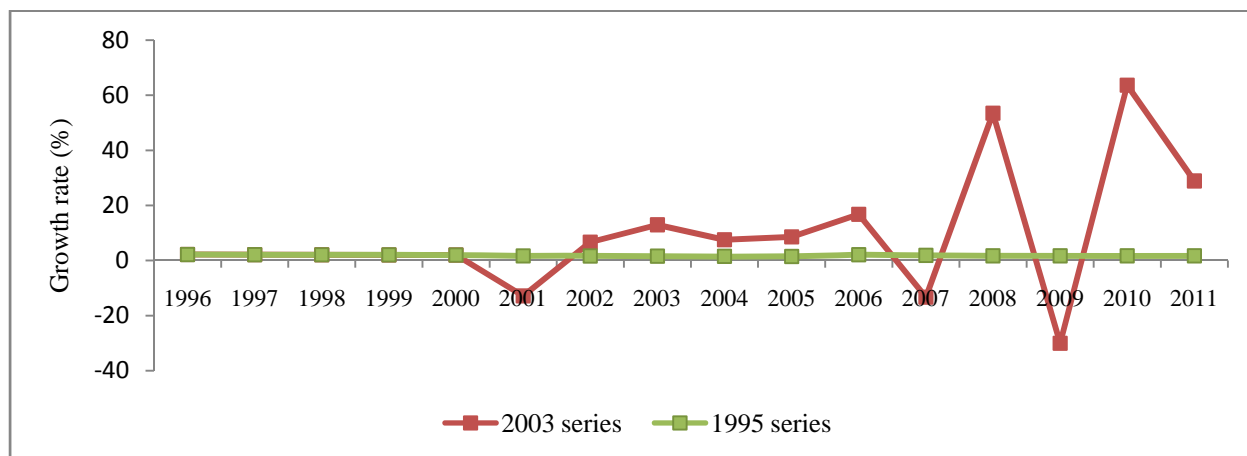
**Figure 9: Education sector growth rates (constant prices) – 1995 series and 2003 series**



The estimates of the education sector are based on the government and private sector institutions. Given that the government production of education is a non-market service, offered without a charge or at prices which are not economically significant, the gross value added of the component is made up of the total wages and

salaries and consumption of fixed capital. The value of government production is measured by the GVA for the industry, calculated from the analysis of annual government budget figures. The hike in education GVA in 2008 is driven by a 49% increase in real wage bill for the education sector, while the dip in education services GVA in 2010 is due to an 11% decrease in wage bill paid to employees working in schools and other educational institutes. The dip in 2010 could be a result of the privatisation of Giyaasudheen School.

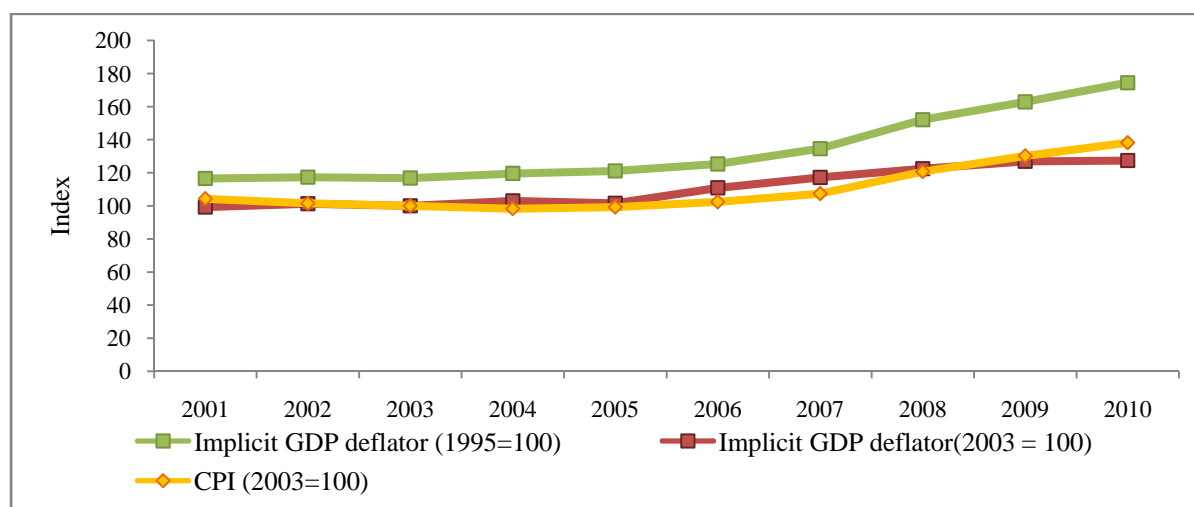
**Figure 10: Health sector growth rates (constant prices)– 1995 series and 2003 series**



Similar to the education sector the estimates of the health sector are based on two components; that is the government and private sector. Since the government production of health is also a non-market service, given at prices which are not economically significant, the gross value added of the component is made up of the total wages and salaries and consumption of fixed capital. The value of government production is calculated from the analysis of annual government budget figures. The big spike in GVA of 2010 is driven by 90% increase in the wage bill for the health sector. These are the wages paid to employees working in public hospitals and other healthcare institutions across the country. The reason for the dip in 2009 was that medical staffs were still under the civil service and hence the salary cut for all civil servants were applicable to them as well. However when in 2010 under the public private partnership programme of the government, Indira Gandhi Memorial Hospital was privatised and came under the Male' Health Service Corporation the salaries of medical staff were increased again. In addition to this, new medical specialities were also introduced in 2010 adding to the number of medical service staff. Although the hospital has been privatised, the allocated budget to IGMH for the year 2010 was given to Male' Health Corporation. For the subsequent years it has been decided that the government would be providing a grant to the corporation.

**Table 5: Comparison of Implicit GDP deflator**

|                                  | 2001  | 2002  | 2003  | 2004  | 2005  | 2006  | 2007  | 2008  | 2009  | 2010  |
|----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Implicit GDP deflator (1995=100) | 116.5 | 117.3 | 116.8 | 119.6 | 121.1 | 125.3 | 134.6 | 152.1 | 162.9 | 174.4 |
| Implicit GDP deflator (2003=100) | 99.2  | 101.3 | 100.0 | 103.0 | 101.5 | 110.9 | 117.2 | 122.4 | 126.9 | 127.4 |
| CPI (2003=100)                   | 104.3 | 101.5 | 100.0 | 98.3  | 99.2  | 102.4 | 107.4 | 120.7 | 130.2 | 138.2 |

**Figure 11: Implicit deflator – 1995 series and 2003 compared with CPI**

In the 1995 series CPI was used extensively to calculate the implicit GDP deflator as GDP at current prices was not compiled then. In the 2003 series GDP at current prices has been compiled to industry level and actual deflators (import and export UV, producer price indices, CPI for household consumption, government wages for government and so on) has been used. That is the reason for the difference between CPI and implicit GDP deflator. The CPI reflects only inflation in household consumption which is entirely different from that in the various economic sectors, especially with an open economy as Maldives.



## Appendix

## Summary Tables - Rebased GDP- Constant Prices

Table 6: Summary of Gross Domestic Product, 1995 – 2013 (In million Rufiyaa at constant Prices of 2003)

(By economic activity estimated using production approach)

| ISIC | Activity                         | 1995         | 1996         | 1997         | 1998         | 1999         | 2000          | 2001         | 2002          | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          | 2009          | 2010          | 2011          | 2012          | 2013          |
|------|----------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|      | <b>Total GDP at basic prices</b> | <b>7,080</b> | <b>7,680</b> | <b>8,439</b> | <b>9,245</b> | <b>9,868</b> | <b>10,264</b> | <b>9,873</b> | <b>10,469</b> | <b>12,158</b> | <b>13,406</b> | <b>12,453</b> | <b>15,121</b> | <b>16,954</b> | <b>18,986</b> | <b>17,757</b> | <b>19,508</b> | <b>21,123</b> | <b>22,424</b> | <b>23,744</b> |
|      | <b>Primary sector</b>            | <b>481</b>   | <b>492</b>   | <b>499</b>   | <b>529</b>   | <b>545</b>   | <b>546</b>    | <b>625</b>   | <b>708</b>    | <b>727</b>    | <b>742</b>    | <b>788</b>    | <b>829</b>    | <b>736</b>    | <b>716</b>    | <b>668</b>    | <b>613</b>    | <b>606</b>    | <b>615</b>    | <b>615</b>    |
| A,C  | Agriculture and mining           | 203          | 209          | 214          | 219          | 223          | 230           | 291          | 298           | 314           | 328           | 302           | 339           | 354           | 362           | 358           | 380           | 392           | 405           | 419           |
| B    | Fisheries                        | 278          | 282          | 285          | 310          | 322          | 316           | 334          | 410           | 413           | 415           | 486           | 489           | 381           | 354           | 310           | 233           | 214           | 210           | 196           |
|      | <b>Secondary sector</b>          | <b>764</b>   | <b>767</b>   | <b>944</b>   | <b>1,141</b> | <b>1,288</b> | <b>1,245</b>  | <b>1,382</b> | <b>1,460</b>  | <b>1,681</b>  | <b>2,203</b>  | <b>2,433</b>  | <b>2,687</b>  | <b>3,295</b>  | <b>3,496</b>  | <b>2,617</b>  | <b>2,836</b>  | <b>2,996</b>  | <b>3,200</b>  | <b>3,409</b>  |
| D    | Manufacturing                    | 336          | 335          | 389          | 435          | 483          | 505           | 591          | 613           | 717           | 824           | 795           | 855           | 904           | 915           | 771           | 736           | 743           | 754           | 771           |
| E    | Electricity and water supply     | 72           | 100          | 123          | 144          | 165          | 188           | 208          | 229           | 254           | 290           | 340           | 383           | 440           | 503           | 543           | 605           | 680           | 764           | 858           |
| F    | Construction                     | 356          | 332          | 433          | 561          | 640          | 552           | 583          | 618           | 710           | 1,088         | 1,298         | 1,449         | 1,951         | 2,078         | 1,303         | 1,495         | 1,574         | 1,682         | 1,780         |
|      | <b>Tertiary sector</b>           | <b>5,983</b> | <b>6,582</b> | <b>7,170</b> | <b>7,767</b> | <b>8,241</b> | <b>8,684</b>  | <b>8,062</b> | <b>8,536</b>  | <b>10,005</b> | <b>10,724</b> | <b>9,439</b>  | <b>11,840</b> | <b>13,161</b> | <b>15,005</b> | <b>14,657</b> | <b>16,244</b> | <b>17,699</b> | <b>18,783</b> | <b>19,888</b> |
| G    | Wholesale and retail trade       | 347          | 361          | 387          | 401          | 413          | 426           | 370          | 384           | 457           | 566           | 609           | 703           | 763           | 863           | 760           | 730           | 784           | 869           | 897           |
| H    | Tourism                          | 2,333        | 2,584        | 2,776        | 2,935        | 3,137        | 3,314         | 2,889        | 3,156         | 3,929         | 4,479         | 3,091         | 4,680         | 5,373         | 5,816         | 5,749         | 6,957         | 7,715         | 8,554         | 9,492         |
| I    | Transport and communication      | 786          | 957          | 1,119        | 1,359        | 1,406        | 1,513         | 1,485        | 1,499         | 1,776         | 1,692         | 1,684         | 2,039         | 2,274         | 2,763         | 2,545         | 2,713         | 2,931         | 3,192         | 3,431         |
| J    | Financial services               | 203          | 220          | 239          | 261          | 280          | 289           | 273          | 291           | 337           | 391           | 348           | 441           | 503           | 551           | 520           | 556           | 572           | 590           | 608           |
| K    | Real Estate                      | 1,145        | 1,207        | 1,276        | 1,352        | 1,420        | 1,458         | 1,356        | 1,421         | 1,614         | 1,638         | 1,602         | 1,620         | 1,607         | 1,545         | 1,475         | 1,444         | 1,412         | 1,372         | 1,331         |
| K    | Business services                | 129          | 140          | 152          | 166          | 178          | 184           | 115          | 123           | 143           | 165           | 147           | 186           | 213           | 233           | 222           | 235           | 242           | 251           | 259           |
| L    | Government Administration        | 450          | 510          | 605          | 664          | 763          | 845           | 983          | 1,022         | 1,061         | 1,090         | 1,214         | 1,323         | 1,562         | 2,065         | 2,291         | 2,441         | 2,709         | 2,675         | 2,633         |
| M    | Education                        | 340          | 347          | 355          | 362          | 369          | 377           | 338          | 368           | 396           | 391           | 407           | 469           | 514           | 722           | 783           | 707           | 764           | 745           | 724           |
| N    | Health                           | 151          | 154          | 157          | 161          | 164          | 167           | 146          | 155           | 176           | 189           | 205           | 239           | 207           | 319           | 223           | 365           | 470           | 435           | 412           |
| O    | Social services                  | 101          | 103          | 105          | 107          | 109          | 111           | 108          | 116           | 117           | 122           | 132           | 140           | 146           | 128           | 90            | 96            | 100           | 99            | 100           |
|      | <b>Fisim</b>                     | <b>-149</b>  | <b>-161</b>  | <b>-176</b>  | <b>-192</b>  | <b>-206</b>  | <b>-212</b>   | <b>-196</b>  | <b>-235</b>   | <b>-255</b>   | <b>-263</b>   | <b>-208</b>   | <b>-234</b>   | <b>-238</b>   | <b>-231</b>   | <b>-186</b>   | <b>-185</b>   | <b>-178</b>   | <b>-173</b>   | <b>-167</b>   |

Table 7: GDP Growth Rates by Economic Activity, 1996-2013 (Constant Prices of 2003)

| ISIC | Activity                         | 1996        | 1997        | 1998        | 1999        | 2000        | 2001        | 2002        | 2003        | 2004        | 2005         | 2006        | 2007         | 2008        | 2009         | 2010        | 2011        | 2012        | 2013        |
|------|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|-------------|-------------|-------------|
|      | <b>Total GDP at basic prices</b> | <b>8.5</b>  | <b>9.9</b>  | <b>9.6</b>  | <b>6.7</b>  | <b>4.0</b>  | <b>-3.8</b> | <b>6.0</b>  | <b>16.1</b> | <b>10.3</b> | <b>-7.1</b>  | <b>21.4</b> | <b>12.1</b>  | <b>12.0</b> | <b>-6.5</b>  | <b>9.9</b>  | <b>8.3</b>  | <b>6.2</b>  | <b>5.9</b>  |
|      | <b>Primary sector</b>            | <b>2.3</b>  | <b>1.5</b>  | <b>5.9</b>  | <b>3.1</b>  | <b>0.2</b>  | <b>14.4</b> | <b>13.3</b> | <b>2.7</b>  | <b>2.0</b>  | <b>6.2</b>   | <b>5.1</b>  | <b>-11.2</b> | <b>-2.7</b> | <b>-6.6</b>  | <b>-8.3</b> | <b>-1.1</b> | <b>1.4</b>  | <b>-0.1</b> |
| A,C  | Agriculture and mining           | 3.1         | 2.2         | 2.2         | 2.2         | 3.1         | 26.4        | 2.2         | 5.6         | 4.2         | -7.7         | 12.2        | 4.4          | 2.3         | -1.1         | 6.1         | 3.2         | 3.3         | 3.3         |
| B    | Fisheries                        | 1.6         | 1.1         | 8.6         | 3.8         | -1.8        | 5.6         | 22.9        | 0.7         | 0.4         | 17.3         | 0.7         | -22.0        | -7.3        | -12.3        | -24.9       | -8.1        | -1.9        | -6.7        |
|      | <b>Secondary sector</b>          | <b>0.3</b>  | <b>23.1</b> | <b>20.8</b> | <b>12.9</b> | <b>-3.3</b> | <b>11.0</b> | <b>5.7</b>  | <b>15.1</b> | <b>31.1</b> | <b>10.4</b>  | <b>10.4</b> | <b>22.6</b>  | <b>6.1</b>  | <b>-25.1</b> | <b>8.4</b>  | <b>5.7</b>  | <b>6.8</b>  | <b>6.6</b>  |
| D    | Manufacturing                    | -0.4        | 16.0        | 12.0        | 11.0        | 4.5         | 16.9        | 3.8         | 16.8        | 15.0        | -3.6         | 7.6         | 5.7          | 1.3         | -15.8        | -4.6        | 1.0         | 1.5         | 2.3         |
| E    | Electricity and water supply     | 39.2        | 23.3        | 17.5        | 14.1        | 14.3        | 10.6        | 9.8         | 11.0        | 14.3        | 17.0         | 12.7        | 14.9         | 14.3        | 8.0          | 11.5        | 12.3        | 12.4        | 12.4        |
| F    | Construction                     | -6.9        | 30.3        | 29.7        | 14.0        | -13.8       | 5.6         | 6.1         | 14.9        | 53.3        | 19.3         | 11.6        | 34.7         | 6.5         | -37.3        | 14.7        | 5.3         | 6.9         | 5.8         |
|      | <b>Tertiary sector</b>           | <b>10.0</b> | <b>8.9</b>  | <b>8.3</b>  | <b>6.1</b>  | <b>5.4</b>  | <b>-7.2</b> | <b>5.9</b>  | <b>17.2</b> | <b>7.2</b>  | <b>-12.0</b> | <b>25.4</b> | <b>11.2</b>  | <b>14.0</b> | <b>-2.3</b>  | <b>10.8</b> | <b>9.0</b>  | <b>6.1</b>  | <b>5.9</b>  |
| G    | Wholesale and retail trade       | 4.0         | 7.3         | 3.6         | 3.2         | 3.2         | -13.1       | 3.8         | 18.8        | 23.8        | 7.7          | 15.4        | 8.6          | 13.1        | -11.9        | -3.9        | 7.4         | 10.8        | 3.2         |
| H    | Tourism                          | 10.8        | 7.4         | 5.7         | 6.9         | 5.6         | -12.8       | 9.3         | 24.5        | 14.0        | -31.0        | 51.4        | 14.8         | 8.2         | -1.2         | 21.0        | 10.9        | 10.9        | 11.0        |
| I    | Transport and communication      | 21.6        | 17.0        | 21.4        | 3.5         | 7.6         | -1.9        | 0.9         | 18.5        | -4.7        | -0.5         | 21.1        | 11.5         | 21.5        | -7.9         | 6.6         | 8.0         | 8.9         | 7.5         |
| J    | Financial services               | 8.4         | 8.8         | 9.2         | 7.3         | 3.1         | -5.7        | 6.8         | 15.8        | 16.0        | -11.0        | 26.8        | 14.0         | 9.6         | -5.7         | 7.0         | 2.9         | 3.2         | 3.0         |
| K    | Real Estate                      | 5.4         | 5.7         | 6.0         | 5.1         | 2.6         | -7.0        | 4.8         | 13.6        | 1.5         | -2.2         | 1.1         | -0.8         | -3.8        | -4.5         | -2.1        | -2.2        | -2.9        | -3.0        |
| K    | Business services                | 8.4         | 8.8         | 9.2         | 7.3         | 3.1         | -37.4       | 6.8         | 15.8        | 16.0        | -11.0        | 26.8        | 14.0         | 9.6         | -4.9         | 6.0         | 3.2         | 3.5         | 3.3         |
| L    | Government Administration        | 13.5        | 18.5        | 9.9         | 14.8        | 10.7        | 16.4        | 4.0         | 3.8         | 2.7         | 11.4         | 9.0         | 18.0         | 32.2        | 10.9         | 6.6         | 11.0        | -1.2        | -1.6        |
| M    | Education                        | 2.2         | 2.1         | 2.1         | 2.0         | 2.0         | -10.3       | 8.8         | 7.6         | -1.1        | 3.9          | 15.3        | 9.5          | 40.6        | 8.4          | -9.6        | 8.0         | -2.5        | -2.8        |
| N    | Health                           | 2.2         | 2.1         | 2.1         | 2.0         | 2.0         | -12.8       | 6.7         | 13.0        | 7.5         | 8.6          | 16.8        | -13.3        | 53.5        | -30.0        | 63.7        | 28.9        | -7.4        | -5.3        |
| O    | Social services                  | 2.2         | 2.1         | 2.1         | 2.0         | 2.0         | -3.3        | 7.5         | 1.0         | 4.6         | 8.1          | 5.9         | 4.1          | -12.0       | -29.7        | 6.6         | 3.4         | -0.4        | 0.5         |
|      | <b>Fisim</b>                     | <b>8.4</b>  | <b>8.8</b>  | <b>9.2</b>  | <b>7.3</b>  | <b>3.1</b>  | <b>-7.5</b> | <b>19.8</b> | <b>8.6</b>  | <b>3.1</b>  | <b>-20.9</b> | <b>12.7</b> | <b>1.4</b>   | <b>-2.6</b> | <b>-19.7</b> | <b>-0.4</b> | <b>-3.5</b> | <b>-2.8</b> | <b>-3.4</b> |

**Table 8: GDP Percentage Shares by Economic Activity, 1995-2013 (Constant Prices of 2003)**

| ISIC | Activity                         | 1995         | 1996         | 1997         | 1998         | 1999         | 2000         | 2001         | 2002         | 2003         | 2004         | 2005         | 2006         | 2007         | 2008         | 2009         | 2010         | 2011         | 2012         | 2013         |
|------|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|      | <b>Total GDP at basic prices</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
|      | <b>Primary sector</b>            | <b>6.8</b>   | <b>6.4</b>   | <b>5.9</b>   | <b>5.7</b>   | <b>5.5</b>   | <b>5.3</b>   | <b>6.3</b>   | <b>6.8</b>   | <b>6.0</b>   | <b>5.5</b>   | <b>6.3</b>   | <b>5.5</b>   | <b>4.3</b>   | <b>3.8</b>   | <b>3.8</b>   | <b>3.1</b>   | <b>2.9</b>   | <b>2.7</b>   | <b>2.6</b>   |
| A,C  | Agriculture and mining           | 2.9          | 2.7          | 2.5          | 2.4          | 2.3          | 2.2          | 3.0          | 2.8          | 2.6          | 2.4          | 2.4          | 2.2          | 2.1          | 1.9          | 2.0          | 1.9          | 1.9          | 1.8          | 1.8          |
| B    | Fisheries                        | 3.9          | 3.7          | 3.4          | 3.4          | 3.3          | 3.1          | 3.4          | 3.9          | 3.4          | 3.1          | 3.9          | 3.2          | 2.3          | 1.9          | 1.7          | 1.2          | 1.0          | 0.9          | 0.8          |
|      | <b>Secondary sector</b>          | <b>10.8</b>  | <b>10.0</b>  | <b>11.2</b>  | <b>12.3</b>  | <b>13.0</b>  | <b>12.1</b>  | <b>14.0</b>  | <b>13.9</b>  | <b>13.8</b>  | <b>16.4</b>  | <b>19.5</b>  | <b>17.8</b>  | <b>19.4</b>  | <b>18.4</b>  | <b>14.7</b>  | <b>14.5</b>  | <b>14.2</b>  | <b>14.3</b>  | <b>14.4</b>  |
| D    | Manufacturing                    | 4.8          | 4.4          | 4.6          | 4.7          | 4.9          | 4.9          | 6.0          | 5.9          | 5.9          | 6.1          | 6.4          | 5.7          | 5.3          | 4.8          | 4.3          | 3.8          | 3.5          | 3.4          | 3.2          |
| E    | Electricity and water supply     | 1.0          | 1.3          | 1.5          | 1.6          | 1.7          | 1.8          | 2.1          | 2.2          | 2.1          | 2.2          | 2.7          | 2.5          | 2.6          | 2.6          | 3.1          | 3.1          | 3.2          | 3.4          | 3.6          |
| F    | Construction                     | 5.0          | 4.3          | 5.1          | 6.1          | 6.5          | 5.4          | 5.9          | 5.9          | 5.8          | 8.1          | 10.4         | 9.6          | 11.5         | 10.9         | 7.3          | 7.7          | 7.4          | 7.5          | 7.5          |
|      | <b>Tertiary sector</b>           | <b>84.5</b>  | <b>85.7</b>  | <b>85.0</b>  | <b>84.0</b>  | <b>83.5</b>  | <b>84.6</b>  | <b>81.7</b>  | <b>81.5</b>  | <b>82.3</b>  | <b>80.0</b>  | <b>75.8</b>  | <b>78.3</b>  | <b>77.6</b>  | <b>79.0</b>  | <b>82.5</b>  | <b>83.3</b>  | <b>83.8</b>  | <b>83.8</b>  | <b>83.8</b>  |
| G    | Wholesale and retail trade       | 4.9          | 4.7          | 4.6          | 4.3          | 4.2          | 4.2          | 3.8          | 3.7          | 3.8          | 4.2          | 4.9          | 4.6          | 4.5          | 4.5          | 4.3          | 3.7          | 3.7          | 3.9          | 3.8          |
| H    | Tourism                          | 32.9         | 33.7         | 32.9         | 31.7         | 31.8         | 32.3         | 29.3         | 30.1         | 32.3         | 33.4         | 24.8         | 30.9         | 31.7         | 30.6         | 32.4         | 35.7         | 36.5         | 38.1         | 40.0         |
| I    | Transport and communication      | 11.1         | 12.5         | 13.3         | 14.7         | 14.3         | 14.7         | 15.0         | 14.3         | 14.6         | 12.6         | 13.5         | 13.5         | 13.4         | 14.6         | 14.3         | 13.9         | 13.9         | 14.2         | 14.5         |
| J    | Financial services               | 2.9          | 2.9          | 2.8          | 2.8          | 2.8          | 2.8          | 2.8          | 2.8          | 2.8          | 2.9          | 2.8          | 2.9          | 3.0          | 2.9          | 2.9          | 2.9          | 2.7          | 2.6          | 2.6          |
| K    | Real Estate                      | 16.2         | 15.7         | 15.1         | 14.6         | 14.4         | 14.2         | 13.7         | 13.6         | 13.3         | 12.2         | 12.9         | 10.7         | 9.5          | 8.1          | 8.3          | 7.4          | 6.7          | 6.1          | 5.6          |
| K    | Business services                | 1.8          | 1.8          | 1.8          | 1.8          | 1.8          | 1.8          | 1.2          | 1.2          | 1.2          | 1.2          | 1.2          | 1.2          | 1.3          | 1.2          | 1.2          | 1.2          | 1.1          | 1.1          | 1.1          |
| L    | Government Administration        | 6.3          | 6.6          | 7.2          | 7.2          | 7.7          | 8.2          | 10.0         | 9.8          | 8.7          | 8.1          | 9.8          | 8.8          | 9.2          | 10.9         | 12.9         | 12.5         | 12.8         | 11.9         | 11.1         |
| M    | Education                        | 4.8          | 4.5          | 4.2          | 3.9          | 3.7          | 3.7          | 3.4          | 3.5          | 3.3          | 2.9          | 3.3          | 3.1          | 3.0          | 3.8          | 4.4          | 3.6          | 3.6          | 3.3          | 3.1          |
| N    | Health                           | 2.1          | 2.0          | 1.9          | 1.7          | 1.7          | 1.6          | 1.5          | 1.5          | 1.4          | 1.4          | 1.6          | 1.6          | 1.2          | 1.7          | 1.3          | 1.9          | 2.2          | 1.9          | 1.7          |
| O    | Social services                  | 1.4          | 1.3          | 1.2          | 1.2          | 1.1          | 1.1          | 1.1          | 1.1          | 1.0          | 0.9          | 1.1          | 0.9          | 0.9          | 0.7          | 0.5          | 0.5          | 0.5          | 0.4          | 0.4          |
|      | <b>Fisim</b>                     | <b>-2.1</b>  | <b>-2.1</b>  | <b>-2.1</b>  | <b>-2.1</b>  | <b>-2.1</b>  | <b>-2.1</b>  | <b>-2.0</b>  | <b>-2.2</b>  | <b>-2.1</b>  | <b>-2.0</b>  | <b>-1.7</b>  | <b>-1.6</b>  | <b>-1.4</b>  | <b>-1.2</b>  | <b>-1.0</b>  | <b>-0.9</b>  | <b>-0.8</b>  | <b>-0.8</b>  | <b>-0.7</b>  |

**Memorandum Items**

|                                                    |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
|----------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Total Mid Year Population*                         | 263,324 | 271,313 | 272,204 | 281,372 | 292,561 | 299,126 | 305,176 | 311,213 | 318,831 | 327,893 | 338,591 | 354,367 | 374,944 | 390,414 | 384,801 | 393,578 | 406,359 | 419,998 | 434,505 |
| GDP at 2003 constant basic prices(Million US\$)    | 601     | 652     | 717     | 785     | 838     | 872     | 839     | 818     | 950     | 1,047   | 973     | 1,181   | 1,325   | 1,483   | 1,387   | 1,524   | 1,650   | 1,752   | 1,855   |
| GDP per capita at 2003 constant basic prices (Rf)  | 26,886  | 28,306  | 31,001  | 32,858  | 33,730  | 34,313  | 32,351  | 33,639  | 38,134  | 40,885  | 36,778  | 42,670  | 45,217  | 48,630  | 46,145  | 49,565  | 51,982  | 53,392  | 54,646  |
| Percentage change                                  |         | 5.3     | 9.5     | 6.0     | 2.7     | 1.7     | (5.7)   | 4.0     | 13.4    | 7.2     | (10.0)  | 16.0    | 6.0     | 7.5     | (5.1)   | 7.4     | 4.9     | 2.7     | 2.3     |
| GDP per capita at 2003 constant basic prices(US\$) | 2,284   | 2,405   | 2,634   | 2,792   | 2,866   | 2,915   | 2,643   | 2,628   | 2,979   | 3,194   | 2,873   | 3,334   | 3,533   | 3,799   | 3,605   | 3,872   | 4,061   | 4,171   | 4,269   |
| GDP per capita (PPP \$)                            | 3,319   | 3,495   | 3,827   | 4,056   | 4,164   | 4,236   | 3,994   | 4,153   | 4,708   | 5,047   | 4,540   | 5,268   | 5,582   | 6,004   | 5,697   | 6,119   | 6,418   | 6,592   | 6,746   |

April 2011

Average exchange rate 1 US\$= MRf 12.8 for 2003

Rf 8.1 per PPP US\$ (ADB, purchasing power parity, 2005)

Note: ISIC- International Standard Industrial Classification of all Economic Activities

FISIM – Financial Intermediate Services Indirectly Measured

\* Mid year population figures include both local and foreign population. The mid year total local population of 2010 is estimated to be 319,738, while foreign population was 73,840. Foreign population is projected for the subsequent years using the past 5 year growth rate of foreign population.

Source: Department of National Planning

**Summary Tables - Rebased GDP- Current Prices****Table 9: Summary of Gross Domestic Product, 2001 – 2013 (In million Rufiyaa at current prices)**

(By economic activity estimated using production approach)

| ISIC | Activity                         | 2001         | 2002          | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          | 2009          | 2010          | 2011          | 2012          | 2013          |
|------|----------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|      | <b>Total GDP at basic prices</b> | <b>9,650</b> | <b>10,425</b> | <b>12,158</b> | <b>13,552</b> | <b>12,538</b> | <b>16,414</b> | <b>19,336</b> | <b>22,909</b> | <b>22,295</b> | <b>24,428</b> | <b>27,292</b> | <b>29,513</b> | <b>31,615</b> |
|      | <b>Primary sector</b>            | <b>684</b>   | <b>715</b>    | <b>727</b>    | <b>831</b>    | <b>997</b>    | <b>1,082</b>  | <b>1,131</b>  | <b>1,327</b>  | <b>1,354</b>  | <b>1,365</b>  | <b>1,507</b>  | <b>1,731</b>  | <b>1,811</b>  |
| A,C  | Agriculture and mining           | 314          | 307           | 314           | 347           | 339           | 405           | 465           | 569           | 579           | 656           | 723           | 812           | 916           |
| B    | Fisheries                        | 370          | 408           | 413           | 484           | 658           | 677           | 666           | 758           | 775           | 709           | 784           | 919           | 895           |
|      | <b>Secondary sector</b>          | <b>1,312</b> | <b>1,451</b>  | <b>1,681</b>  | <b>1,863</b>  | <b>1,946</b>  | <b>2,270</b>  | <b>2,616</b>  | <b>3,982</b>  | <b>2,752</b>  | <b>3,024</b>  | <b>3,453</b>  | <b>3,918</b>  | <b>4,361</b>  |
| D    | Manufacturing                    | 593          | 608           | 717           | 825           | 832           | 956           | 1,084         | 1,347         | 1,228         | 1,276         | 1,474         | 1,677         | 1,941         |
| E    | Electricity and water supply     | 224          | 259           | 254           | 251           | 268           | 279           | 296           | 347           | 335           | 373           | 420           | 472           | 532           |
| F    | Construction                     | 495          | 584           | 710           | 787           | 846           | 1,035         | 1,237         | 2,288         | 1,189         | 1,374         | 1,559         | 1,769         | 1,888         |
|      | <b>Tertiary sector</b>           | <b>7,915</b> | <b>8,494</b>  | <b>10,005</b> | <b>11,192</b> | <b>10,081</b> | <b>13,850</b> | <b>16,648</b> | <b>18,665</b> | <b>19,129</b> | <b>21,130</b> | <b>23,545</b> | <b>25,225</b> | <b>26,942</b> |
| G    | Wholesale and retail trade       | 364          | 382           | 457           | 604           | 700           | 845           | 1,001         | 1,258         | 965           | 1,021         | 1,121         | 1,234         | 1,322         |
| H    | Tourism                          | 3,032        | 3,104         | 3,929         | 4,363         | 2,805         | 5,395         | 6,772         | 6,828         | 6,615         | 8,304         | 9,288         | 10,443        | 11,653        |
| I    | Transport                        | 571          | 738           | 787           | 919           | 758           | 1,014         | 1,021         | 1,109         | 1,084         | 1,271         | 1,380         | 1,518         | 1,652         |
| I    | Communication                    | 565          | 724           | 989           | 1,051         | 957           | 959           | 1,101         | 1,261         | 1,103         | 1,072         | 1,131         | 1,193         | 1,254         |
| J    | Financial services               | 326          | 317           | 337           | 436           | 652           | 1,056         | 1,416         | 1,427         | 1,331         | 1,452         | 1,545         | 1,652         | 1,748         |
| K    | Real Estate                      | 1,321        | 1,404         | 1,614         | 1,626         | 1,591         | 1,668         | 1,708         | 1,739         | 1,690         | 1,701         | 1,689         | 1,679         | 1,667         |
| K    | Business services                | 108          | 118           | 143           | 165           | 144           | 207           | 247           | 281           | 265           | 286           | 298           | 312           | 324           |
| L    | Government Administration        | 1,043        | 1,061         | 1,061         | 1,202         | 1,476         | 1,540         | 2,197         | 3,116         | 4,179         | 4,146         | 4,846         | 4,952         | 5,052         |
| M    | Education                        | 325          | 372           | 396           | 470           | 563           | 709           | 1,021         | 1,384         | 1,139         | 1,287         | 1,301         | 1,319         |               |
| N    | Health                           | 150          | 158           | 176           | 225           | 273           | 332           | 289           | 455           | 384           | 599           | 810           | 785           | 786           |
| O    | Social services                  | 109          | 117           | 117           | 131           | 162           | 179           | 187           | 170           | 128           | 139           | 150           | 156           | 166           |
|      | <b>Fisim</b>                     | <b>-261</b>  | <b>-235</b>   | <b>-255</b>   | <b>-333</b>   | <b>-486</b>   | <b>-788</b>   | <b>-1,060</b> | <b>-1,065</b> | <b>-940</b>   | <b>-1,090</b> | <b>-1,214</b> | <b>-1,361</b> | <b>-1,498</b> |

**Table 10: GDP Growth Rates by Economic Activity, 2002-2013 (Current Prices)**

|     | GDP growth rates             | 8.0           | 16.6        | 11.5        | -7.5        | 30.9        | 17.8        | 18.5        | -2.7          | 9.6         | 11.7        | 8.1         | 7.1         |
|-----|------------------------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|-------------|-------------|-------------|-------------|
|     | <b>Primary sector</b>        | <b>4.5</b>    | <b>1.8</b>  | <b>14.2</b> | <b>20.0</b> | <b>8.5</b>  | <b>4.5</b>  | <b>17.3</b> | <b>2.0</b>    | <b>0.8</b>  | <b>10.4</b> | <b>14.9</b> | <b>4.6</b>  |
| A,C | Agriculture and mining       | -2.3          | 2.6         | 10.4        | -2.3        | 19.4        | 14.9        | 22.4        | 1.8           | 13.2        | 10.2        | 12.3        | 12.8        |
| B   | Fisheries                    | 10.4          | 1.2         | 17.1        | 36.0        | 2.9         | -1.6        | 13.8        | 2.3           | -8.5        | 10.6        | 17.3        | -2.6        |
|     | <b>Secondary sector</b>      | <b>10.6</b>   | <b>15.8</b> | <b>10.9</b> | <b>4.4</b>  | <b>16.6</b> | <b>15.3</b> | <b>52.2</b> | <b>-30.9</b>  | <b>9.9</b>  | <b>14.2</b> | <b>13.4</b> | <b>11.3</b> |
| D   | Manufacturing                | 2.5           | 17.9        | 15.2        | 0.8         | 14.9        | 13.4        | 24.2        | -8.8          | 3.9         | 15.5        | 13.7        | 15.8        |
| E   | Electricity and water supply | 15.7          | -2.0        | -1.1        | 6.7         | 4.1         | 6.0         | 17.5        | -3.6          | 11.5        | 12.5        | 12.5        | 12.5        |
| F   | Construction                 | 18.0          | 21.5        | 10.8        | 7.5         | 22.3        | 19.5        | 85.0        | -48.0         | 15.6        | 13.4        | 13.4        | 6.8         |
|     | <b>Tertiary sector</b>       | <b>7.3</b>    | <b>17.8</b> | <b>11.9</b> | <b>-9.9</b> | <b>37.4</b> | <b>20.2</b> | <b>12.1</b> | <b>2.5</b>    | <b>10.5</b> | <b>11.4</b> | <b>7.1</b>  | <b>6.8</b>  |
| G   | Wholesale and retail trade   | 4.9           | 19.5        | 32.2        | 15.9        | 20.7        | 18.5        | 25.7        | -23.3         | 5.8         | 9.8         | 10.1        | 7.1         |
| H   | Tourism                      | 2.4           | 26.6        | 11.1        | -35.7       | 92.4        | 25.5        | 0.8         | -3.1          | 25.5        | 11.8        | 12.4        | 11.6        |
| I   | Transport                    | 29.2          | 6.6         | 16.9        | -17.5       | 33.8        | 0.7         | 8.6         | -2.3          | 17.3        | 8.5         | 10.0        | 8.8         |
| I   | Communication                | 28.1          | 36.6        | 6.2         | -9.0        | 0.2         | 14.8        | 14.5        | -12.5         | -2.8        | 5.5         | 5.5         | 5.1         |
| J   | Financial services           | -2.6          | 6.3         | 29.2        | 49.7        | 61.9        | 34.1        | 0.8         | -6.7          | 9.0         | 6.5         | 6.9         | 5.8         |
| K   | Real Estate                  | 6.3           | 15.0        | 0.7         | -2.1        | 4.8         | 2.4         | 1.8         | -2.8          | 0.7         | -0.7        | -0.6        | -0.7        |
| K   | Business services            | 9.1           | 20.7        | 15.9        | -13.0       | 44.1        | 19.5        | 13.8        | -5.9          | 8.0         | 4.3         | 4.5         | 3.8         |
| L   | Government Administration    | 1.7           | 0.1         | 13.2        | 22.8        | 4.3         | 42.6        | 41.8        | 34.1          | -0.8        | 16.9        | 2.2         | 2.0         |
| M   | Education                    | 14.4          | 6.3         | 18.9        | 19.8        | 16.2        | 8.3         | 43.9        | 35.6          | -17.7       | 13.0        | 1.1         | 1.4         |
| N   | Health                       | 5.0           | 11.5        | 28.0        | 21.4        | 21.8        | -13.1       | 57.6        | -15.5         | 55.8        | 35.3        | -3.1        | 0.2         |
| O   | Social services              | 6.7           | 0.3         | 12.1        | 23.5        | 10.4        | 4.5         | -9.3        | -24.5         | 8.1         | 8.3         | 4.2         | 5.9         |
|     | <b>Fisim</b>                 | <b>(10.1)</b> | <b>8.6</b>  | <b>30.7</b> | <b>45.6</b> | <b>62.3</b> | <b>34.4</b> | <b>0.5</b>  | <b>(11.8)</b> | <b>16.0</b> | <b>11.4</b> | <b>12.1</b> | <b>10.1</b> |

Table 11: GDP Percentage Shares by Economic Activity, 2001-2013 (Current Prices of 2003)

| ISIC | Activity                     | 2001         | 2002         | 2003         | 2004         | 2005         | 2006         | 2007         | 2008         | 2009         | 2010         | 2011         | 2012         | 2013         |
|------|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|      | <b>GDP percentage shares</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
|      | <b>Primary sector</b>        | <b>7.1</b>   | <b>6.9</b>   | <b>6.0</b>   | <b>6.1</b>   | <b>8.0</b>   | <b>6.6</b>   | <b>5.8</b>   | <b>5.8</b>   | <b>6.1</b>   | <b>5.6</b>   | <b>5.5</b>   | <b>5.9</b>   | <b>5.7</b>   |
| A,C  | Agriculture and mining       | 3.3          | 2.9          | 2.6          | 2.6          | 2.7          | 2.5          | 2.4          | 2.5          | 2.6          | 2.7          | 2.6          | 2.8          | 2.9          |
| B    | Fisheries                    | 3.8          | 3.9          | 3.4          | 3.6          | 5.2          | 4.1          | 3.4          | 3.3          | 3.5          | 2.9          | 2.9          | 3.1          | 2.8          |
|      | <b>Secondary sector</b>      | <b>13.6</b>  | <b>13.9</b>  | <b>13.8</b>  | <b>13.7</b>  | <b>15.5</b>  | <b>13.8</b>  | <b>13.5</b>  | <b>17.4</b>  | <b>12.3</b>  | <b>12.4</b>  | <b>12.7</b>  | <b>13.3</b>  | <b>13.8</b>  |
| D    | Manufacturing                | 6.1          | 5.8          | 5.9          | 6.1          | 6.6          | 5.8          | 5.6          | 5.9          | 5.5          | 5.2          | 5.4          | 5.7          | 6.1          |
| E    | Electricity and water supply | 2.3          | 2.5          | 2.1          | 1.9          | 2.1          | 1.7          | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 1.6          | 1.7          |
| F    | Construction                 | 5.1          | 5.6          | 5.8          | 5.8          | 6.7          | 6.3          | 6.4          | 10.0         | 5.3          | 5.6          | 5.7          | 6.0          | 6.0          |
|      | <b>Tertiary sector</b>       | <b>82.0</b>  | <b>81.5</b>  | <b>82.3</b>  | <b>82.6</b>  | <b>80.4</b>  | <b>84.4</b>  | <b>86.1</b>  | <b>81.5</b>  | <b>85.8</b>  | <b>86.5</b>  | <b>86.3</b>  | <b>85.5</b>  | <b>85.2</b>  |
| G    | Wholesale and retail trade   | 3.8          | 3.7          | 3.8          | 4.5          | 5.6          | 5.1          | 5.2          | 5.5          | 4.3          | 4.2          | 4.1          | 4.2          | 4.2          |
| H    | Tourism                      | 31.4         | 29.8         | 32.3         | 32.2         | 22.4         | 32.9         | 35.0         | 29.8         | 29.7         | 34.0         | 34.0         | 35.4         | 36.9         |
| I    | Transport                    | 5.9          | 7.1          | 6.5          | 6.8          | 6.0          | 6.2          | 5.3          | 4.8          | 4.9          | 5.2          | 5.1          | 5.1          | 5.2          |
| I    | Communication                | 5.9          | 6.9          | 8.1          | 7.8          | 7.6          | 5.8          | 5.7          | 5.5          | 4.9          | 4.4          | 4.1          | 4.0          | 4.0          |
| J    | Financial services           | 3.4          | 3.0          | 2.8          | 3.2          | 5.2          | 6.4          | 7.3          | 6.2          | 6.0          | 5.9          | 5.7          | 5.6          | 5.5          |
| K    | Real Estate                  | 13.7         | 13.5         | 13.3         | 12.0         | 12.7         | 10.2         | 8.8          | 7.6          | 7.6          | 7.0          | 6.2          | 5.7          | 5.3          |
| K    | Business services            | 1.1          | 1.1          | 1.2          | 1.2          | 1.1          | 1.3          | 1.3          | 1.2          | 1.2          | 1.2          | 1.1          | 1.1          | 1.0          |
| L    | Government Administration    | 10.8         | 10.2         | 8.7          | 8.9          | 11.8         | 9.4          | 11.4         | 13.6         | 18.7         | 17.0         | 17.8         | 16.8         | 16.0         |
| M    | Education                    | 3.4          | 3.6          | 3.3          | 3.5          | 4.5          | 4.0          | 3.7          | 4.5          | 6.2          | 4.7          | 4.7          | 4.4          | 4.2          |
| N    | Health                       | 1.6          | 1.5          | 1.4          | 1.7          | 2.2          | 2.0          | 1.5          | 2.0          | 1.7          | 2.5          | 3.0          | 2.7          | 2.5          |
| O    | Social services              | 1.1          | 1.1          | 1.0          | 1.0          | 1.3          | 1.1          | 1.0          | 0.7          | 0.6          | 0.6          | 0.5          | 0.5          | 0.5          |
|      | <b>Fisim</b>                 | <b>-2.7</b>  | <b>-2.3</b>  | <b>-2.1</b>  | <b>-2.5</b>  | <b>-3.9</b>  | <b>-4.8</b>  | <b>-5.5</b>  | <b>-4.6</b>  | <b>-4.2</b>  | <b>-4.5</b>  | <b>-4.4</b>  | <b>-4.6</b>  | <b>-4.7</b>  |

## Memorandum Items

|                                                |         |         |         |         |         |         |         |         |         |         |         |         |         |
|------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Total Population*                              | 305,176 | 311,213 | 318,831 | 327,893 | 338,591 | 354,367 | 374,944 | 390,414 | 384,801 | 393,578 | 406,359 | 419,998 | 434,505 |
| GDP at current market prices (Million US\$)    | 788     | 814     | 932     | 1,059   | 980     | 1,282   | 1,511   | 1,790   | 1,742   | 1,908   | 2,132   | 2,306   | 2,470   |
| GDP per capita at current market prices(Rf)    | 31,621  | 33,499  | 37,422  | 41,332  | 37,031  | 46,318  | 51,569  | 58,678  | 57,939  | 62,067  | 67,161  | 70,270  | 72,762  |
| Percentage change                              |         | 5.9     | 11.7    | 10.4    | -10.4   | 25.1    | 11.3    | 13.8    | -1.3    | 7.1     | 8.2     | 4.6     | 3.5     |
| GDP per capita at current market prices (US\$) | 2,583   | 2,617   | 2,924   | 3,229   | 2,893   | 3,619   | 4,029   | 4,584   | 4,527   | 4,849   | 5,247   | 5,490   | 5,685   |
| GDP per capita (PPP \$)                        | 3,904   | 4,136   | 4,620   | 5,103   | 4,572   | 5,718   | 6,367   | 7,244   | 7,153   | 7,663   | 8,291   | 8,675   | 8,983   |
| Deficit as a percent of GDP                    | -3.8    | -3.9    | -2.5    | -1.2    | -8.3    | -4.9    | -3.7    | -11.9   | -23.4   | -12.7   | -11.9   | -7.6    | -4.4    |

April 2011

Average exchange rate 1 US\$= MRf 12.8 for 2003

Rf 8.1 per PPP US\$ (ADB, purchasing power parity, 2005)

Note: ISIC- International Standard Industrial Classification of all Economic Activities

FISIM – Financial Intermediate Services Indirectly Measured

\*Mid year population figures include both local and foreign population. The mid year total local population of 2010 is estimated to be 319,738, while foreign population was 73,840. Foreign population is projected for the subsequent years using the past 5 year growth rate of foreign population.

Source: Department of National Planning