



# 2022

## GROSS DOMESTIC PRODUCT

### 2012–2022

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Central Department of Statistics  
Ministry of Planning and National  
Development

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## **P r e f a c e**

Central Department of Statistics presents the preliminary Gross Domestic Product data for the period 2012 – 2021, compiled by the expenditure approach in current and constant 2017 prices, i.e. 2017 is the base year for estimation of real GDP.

The national accounts data are used for economic and fiscal planning and for elaboration of development programmers for various sectors of the economy. Results from the national accounts are also used by foreign and domestic investors to evaluate the economic situation of the country and the opportunity for new investments.

Department of Statistics in Ministry of Planning and National Development will continue to develop the production of national accounts which follows the international recommendations and will strive to publish figures of high quality in timely manner.

Many thanks go to:

1. Muna Abdi, Director of Somaliland Central Statistics Department, MP&ND.
2. Ahmed Ibrahim Ahmed, Head of National Accounts Unit.
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## List of Acronyms

BEC	Broad Economic Indicators
CIF	Cost of Freight and Insurance
COICOP	Classification of Individual Consumption According to Purpose
FOB	Free-On-Board
GDP	Gross Domestic Product
HFS	High Frequency Survey
ISIC	International Standard of Industrial Classification
PESS	Population Estimation Survey for Somalia
SLS	Somaliland Shillings
SNA	System of National Accounts
USD	United States Dollar

## Key Findings

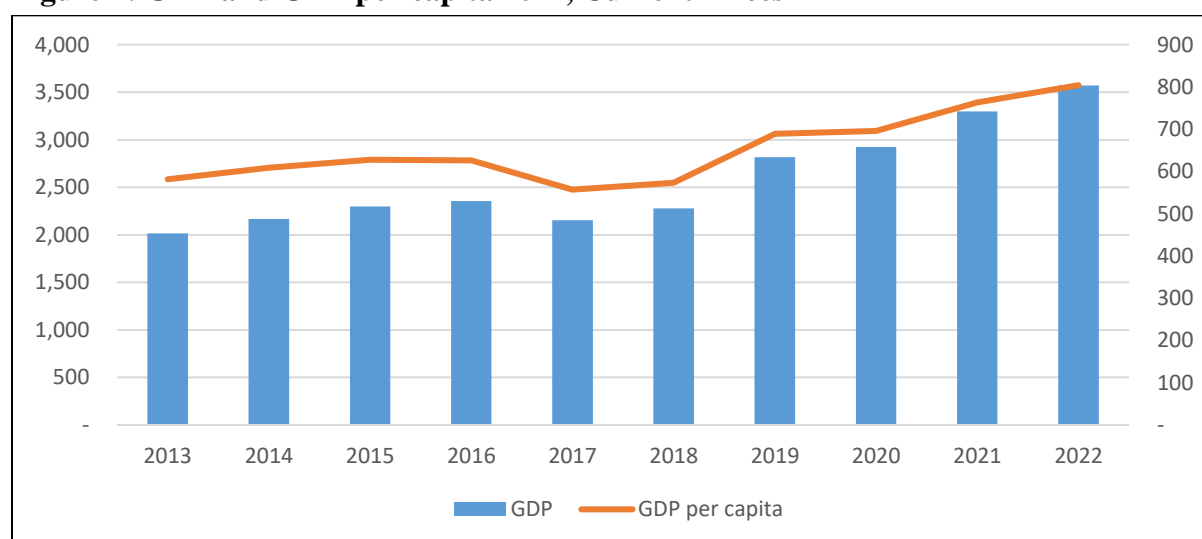
### GDP Growth Rate

The major macroeconomic aggregate within the System of National Accounts is Gross Domestic Product (GDP), which represents the results of production activities of all residential institutional units. GDP can be calculated by three approaches: production approach, expenditure approach, and income approach.

Annual Growth Domestic Products at current prices in absolute terms for year 2022 increase to 3,571 million USD from 3,297 million USD in 2021. Moreover, the value of annual Gross Domestic Products at 2017 constant prices in absolute terms increased to 2,419 million USD in 2022 from 2,459 million USD in 2021, equivalent to an increase of 1.6 percent.

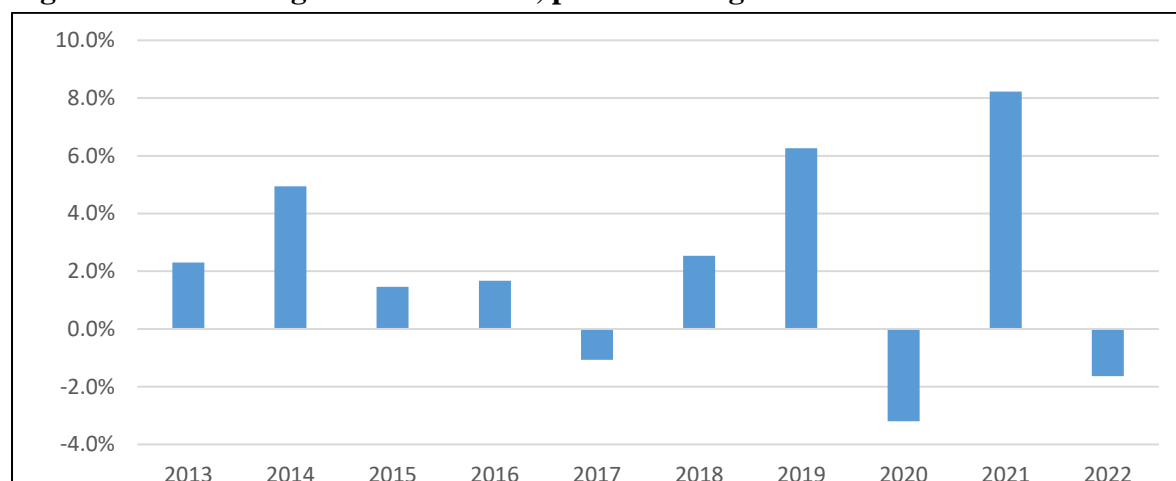
GDP per capita amounted to 804 USD in 2022, compared to 763 USD in 2021. GDP per capita measures the share of GDP each person would get if equally distributed among all residents in an economic territory. It is derived by dividing GDP by population.

**Figure 1: GDP and GDP per capita 2022, Current Prices**



The growth of real GDP, in constant 2017 prices, was 23 percent from 2012 to 2022. Corresponding to an average annual growth rate of 2.2 percent. The Waheen Market Fire contributed to the decline of GDP in 2022, the fire took place in Hargeisa on 1 April and destroyed an estimated 2000 to 5000 Businesses, affecting some traders directly. This massive fire burnt reduced aggregate demand of the economy, which led real economic growth to decline in 2022 comparing to 2021.

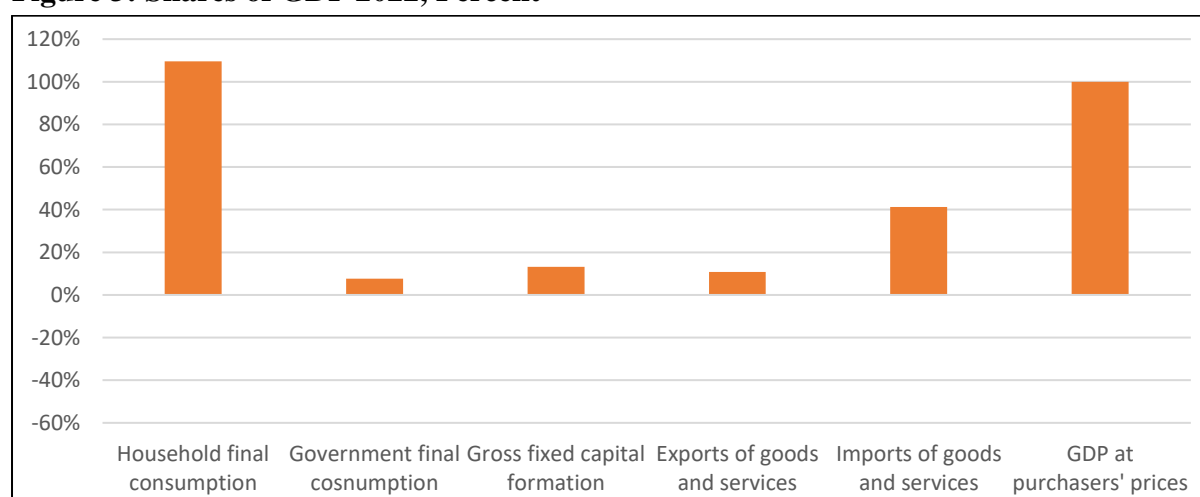
**Figure 2: Real GDP growth 2013-2022, percent change**



## 2. Components of GDP

The share of household final consumption expenditure in GDP was between 95 and 101 percent for the years 2012-2015 increasing to 105 percent in 2016 and 108 percent in 2021, While in 2022 decrease into 110 percent. The share of gross fixed capital formation increased from 8.5 percent in 2012 to 14.6 percent in 2020, and then increased up to 18.5, percent in 2021, while in 2022 decreased into 13.2 percent. The share of exports decreased from 21.4 to 10.8 percent from 2012 to 2022. Imports amounted to 41.3 percent of GDP in 2022, compared to 43.5 percent in 2021.

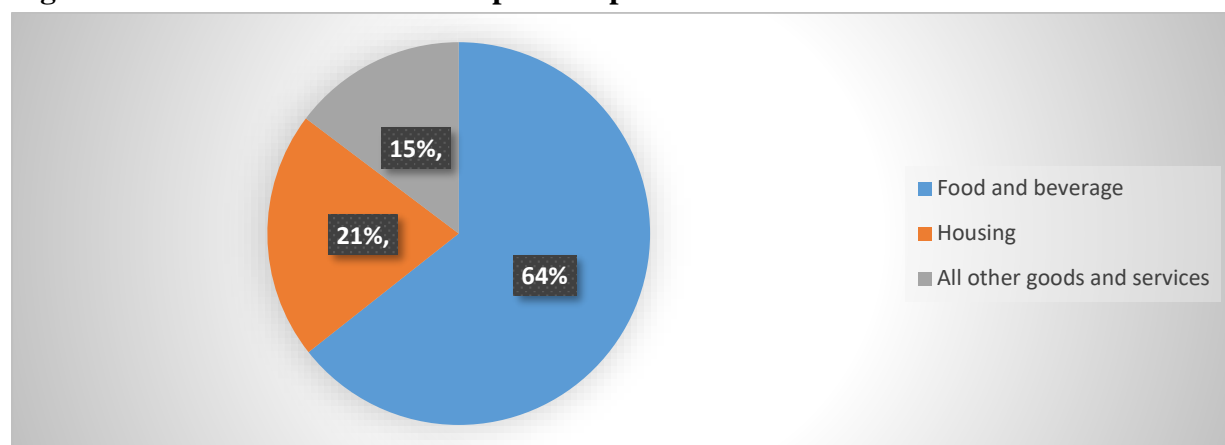
**Figure 3: Shares of GDP 2022, Percent**



### 2.1 Household Final Consumption

Household final consumption expenditure amounted to 3,913 million USD in 2022. The volume growth of household final consumption expenditure from 2012 to 2022 was 27 percent. In 2022, food and beverages accounted for 64 percent of household consumption. The share of housing was 21 percent, while that of all other goods and services accounted 15 percent of the total.

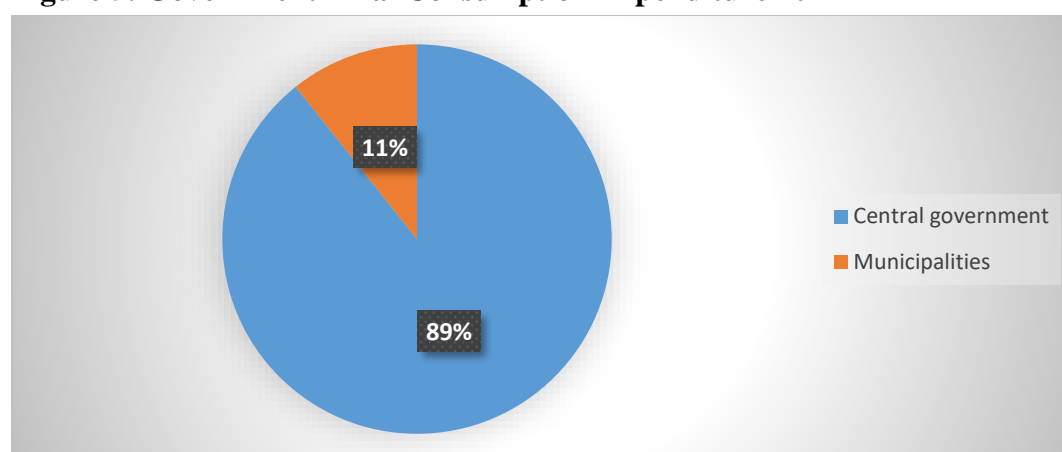
**Figure 4: Household Final Consumption Expenditure 2022**



## 2.2 Government Final Consumption

Government final consumption expenditure amounted to 273 million USD in 2022, with the central government accounting for 89 percent of the expenditure, compared to only 11 percent for local government. The volume increased rapidly from 2012 to 2022, at an average annual rate of 7.7 percent.

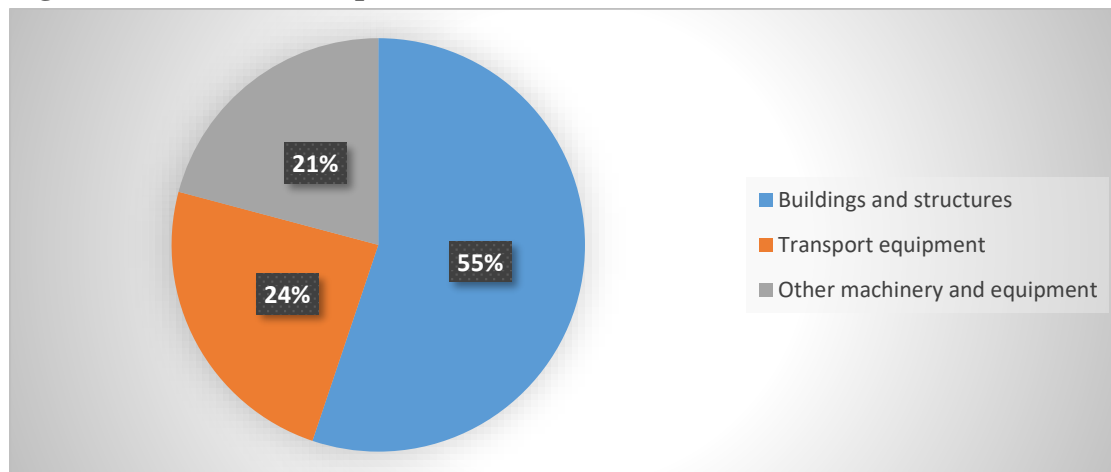
**Figure 5: Government Final Consumption Expenditure 2022**



## 2.3 Gross Fixed Capital Formation

Gross fixed capital formation amounted to 473 million USD in 2022. The volume more than tripled from 2012 to 2021 while it decreased by 29.5 percent in 2022. 55 percent of gross fixed capital formation consisted of buildings and structures. The rest was made up of transport equipment (24 percent) and machinery and other equipment (21 percent).

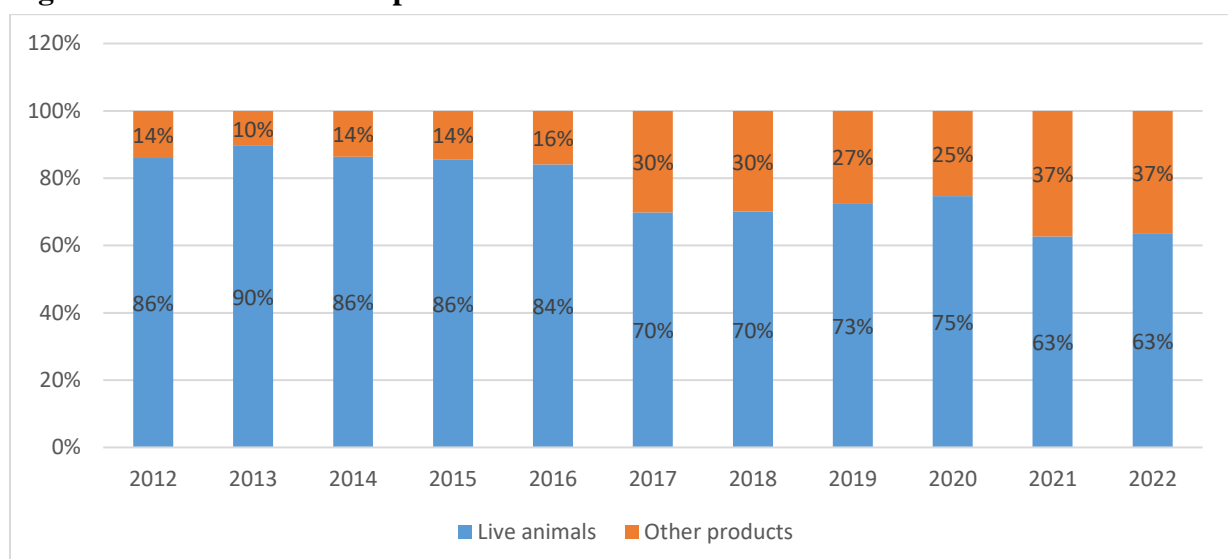
**Figure 6: Gross Fixed Capital Formation 2022**



## 2.4 Exports of Goods and Services

Export amounted to 387 million USD in 2022. The major export product is livestock, with a share of the total decreasing from 86 percent in 2012 to 63 percent in 2022. The volume decreased by 50 percent from 2012 to 2020, due to a decrease of exports of live animals following the ban imposed by Saudi Arabia and the 2015-2017 drought. However, there were significant increases in 2021 and 2022, 9 and 11 percent respectively. Notable products exported aside from live animals include gold, gemstones, scrap metal, animal skins, fishing products, and frankincense.

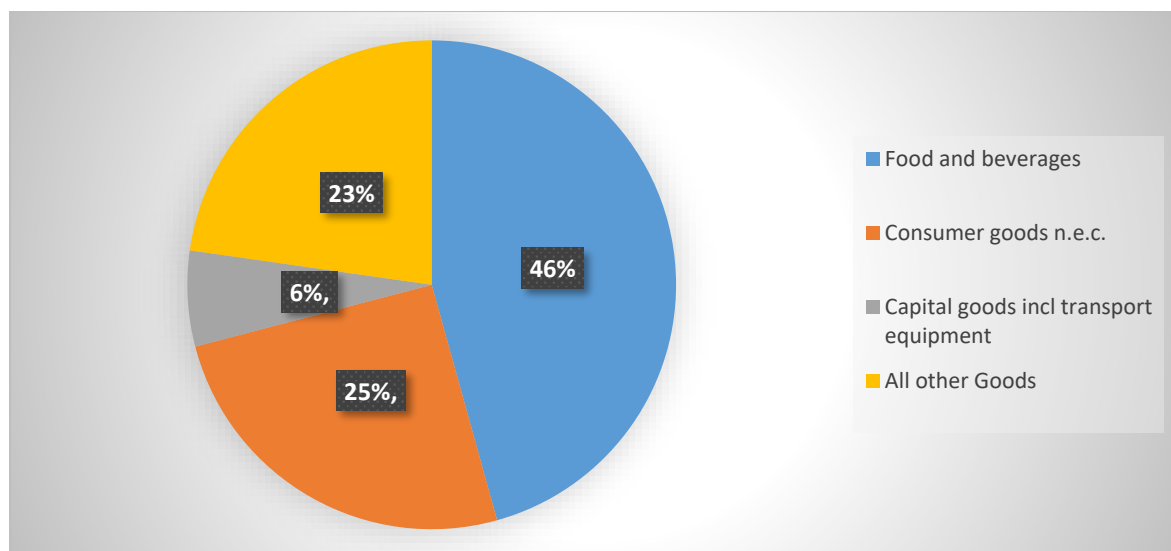
**Figure 7: Main Products Exported 2012-2022**



## 2.5 Imports of Goods and Services

Imports amounted to 1,475 million USD in 2022, with the volume increasing by 67 percent from 2012 to 2022. Consumer goods made up 71 percent of imports of which food and beverages made up 45 percent. The remaining 31 percent include capital goods, industrial supplies and fuels.

**Figure 8: Imports**



**Table 1: GDP by expenditure, current prices, million US Dollars**

**Tables**



<b>Table 1: GDP by expenditure, current prices, million US Dollars</b>											
Expenditure items	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Household final consumption	1 755	1 949	2 067	2 325	2 475	2 421	2 579	3 135	3 378	3 578	3 913
Government final consumption	103	125	144	163	175	215	220	242	230	249	273
Gross fixed capital formation	156	193	238	283	328	373	438	512	426	612	473
Exports of goods and services	393	419	487	392	340	203	229	273	229	292	387
of which: livestock	338	375	420	335	285	142	161	198	171	183	246
Minus: Imports of goods and services	574	671	768	864	961	1 058	1 189	1 347	1 337	1 433	1 475
GDP at purchasers' prices	1 834	2 014	2 168	2 298	2 356	2 154	2 278	2 815	2 926	3 297	3 571
GDP per capita, US Dollars	544	582	609	628	626	557	573	689	696	763	804
GDP at purchasers' prices, million SLS	11 752	13 645	15 144	17 167	17 632	19 769	23 079	24 604	25 258	28 081	30 445
GDP per capita, thousand SLS	3 488	3 940	4 254	4 690	4 686	5 111	5 804	6 019	6 011	6 501	6 856
Exchange rate	6 409	6 774	6 985	7 471	7 485	9 177	10 133	8 739	8 634	8 516	8 525
<b>Table 2: GDP by expenditure, current prices, percentage share</b>											
Expenditure items	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Household final consumption	95.7	96.7	95.3	101.2	105.1	112.4	113.2	111.3	115.5	108.5	109.6
Government final consumption	5.6	6.2	6.7	7.1	7.4	10.0	9.7	8.6	7.9	7.6	7.6
Gross fixed capital formation	8.5	9.6	11.0	12.3	13.9	17.3	19.3	18.2	14.6	18.5	13.2
Exports of goods and services	21.4	20.8	22.5	17.0	14.4	9.4	10.1	9.7	7.8	8.8	10.8
of which: livestock	18.4	18.6	19.4	14.6	12.1	6.6	7.1	7.0	5.8	5.5	6.9
Minus: Imports of goods and services	31.3	33.3	35.4	37.6	40.8	49.1	52.2	47.8	45.7	43.5	41.3
GDP at purchasers' prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Table 3: GDP by expenditure, constant prices, million US Dollars</b>											
Expenditure items	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Household final consumption	1 957	2 046	2 134	2 220	2 279	2 421	2 533	2 534	2 514	2 525	2 543
Government final consumption	104	122	140	154	158	215	213	223	208	211	218
Gross fixed capital formation	159	190	232	289	337	373	432	509	422	552	389
Exports of goods and services	378	354	394	330	311	203	211	240	186	239	286
of which: livestock	319	310	330	276	258	142	148	185	145	164	195
Minus: Imports of goods and services	632	701	790	851	907	1 058	1 179	1 159	1 058	1 067	1 018
GDP at purchasers' prices	1 966	2 011	2 111	2 142	2 177	2 154	2 209	2 347	2 272	2 459	2 419
GDP per capita ( Real Per capita)	584	581	593	585	579	557	556	574	541	569	545
<b>Table 4: GDP by expenditure, constant prices, percent annual change</b>											
Expenditure items	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Household final consumption		4.6	4.3	4.0	2.6	6.3	4.6	0.1	-0.8	0.4	0.7
Government final consumption		17.3	14.6	9.8	2.4	36.4	-1.0	4.7	-6.6	1.3	3.6
Gross fixed capital formation		19.5	22.1	24.5	16.7	10.7	15.6	18.0	-17.1	30.7	-29.5
Exports of goods and services		-6.3	11.3	-16.3	-5.7	-34.8	3.8	13.9	-22.5	28.4	19.7
of which: livestock		-2.8	6.5	-16.4	-6.4	-45.1	4.4	25.0	-21.5	12.9	18.9
Minus: Imports of goods and services		10.9	12.6	7.8	6.5	16.6	11.4	-1.7	-8.7	0.9	-4.6
GDP at purchasers' prices		2.3	4.9	1.5	1.7	-1.1	2.5	6.3	-3.2	8.2	-1.6

## Sources and methods

The estimates are based on imperfect and scarce source data combined with assumptions that are partly derived from the national accounts of other African countries. Therefore, the estimates should be seen as experimental meaning that they can be revised in the near future.

The following source data are used:

- The High Frequency Survey (HFS), Wave 2, collected data on household expenditure in February and March 2018 and provided data for benchmark estimates for 2017.
- Data on revenue and expenditure of the central government and data on revenue and expenditure of the municipalities.
- The Comtrade database is maintained by the UN Statistical Department and contains data on foreign trade reported by most countries in the world. Exports from Somalia can then be estimated as imports by its trading partners and imports by Somalia as exports from its trading partners. However, Comtrade doesn't specify Somaliland. Total imports for 2017, the base year, is based on Comtrade assuming that the share of Somaliland is roughly equal to its share of the population
- Data on imports and exports collected by the Customs Authority. Imports collected by Customs cover about 25 per cent of the estimated total imports. The structure in Customs data was applied to the total estimated as described above.
- The consumer price index (CPI) compiled by the Central Statistics Department
- The Population Estimation Survey for Somalia (PESS) provides population data for 2014. The annual population growth has been estimated at 2.8 percent.

An estimate of GDP for 2012 was compiled and published in 2014. GDP was estimated by the production approach and imports were derived as a residual. Two surveys were important data sources: a business survey and a household income and expenditure survey. The results are somewhat different as shown in Table 5.

**Table 5: GDP, comparison of estimates for 2012**

<b>Expenditure items</b>	<b>Million US Dollars</b>		<b>Percent of GDP</b>	
	<b>Previous</b>	<b>Current</b>	<b>Previous</b>	<b>Current</b>
Household final consumption expenditure	2,037	1,755	129.9	112.9
Government final consumption expenditure	93	103	5.9	6.4
Gross fixed capital formation	154	156	9.8	10.3
Exports of goods and services	385	372	24.5	25.1
of which: livestock & livestock products	351	338	22.4	23.1
Minus: Imports of goods and services	1,100	574	70.1	54.6
GDP at purchasers' prices	1,569	1,813	100.0	100.0

The magnitude of GDP is roughly the same in the two estimates. The estimates of government consumption and exports are based on the same data sources while the estimates of gross fixed capital formation for 2012 were used as benchmarks in the current estimates. The household

survey for 2012 resulted in a consumption estimate that is considerable larger compared the current estimate based on the High Frequency Survey. The difference in the two estimates of imports is roughly the same.

**Household final consumption expenditure:** An estimate for 2017 was derived from the HFS Wave 2: Annual consumption per capita was estimated for the strata included in the HFS. Total consumption was then calculated by multiplying by the relevant population. The level appeared low when compared with imports of consumer goods; close to all consumer goods except food are imported. The benchmark for 2017 (except food and beverages) was therefore adjusted on the basis of imports with additions for an adjustment of CIF/FOB (15 percent), customs duties (6 percent) and trade margins (50 percent). Six groups were calculated:

- a) Food and beverages. The benchmark for 2017 is moved with the population growth. CPI for food and beverages was used to reflate and derive a time series in constant prices. However, the increase of food consumption in 2020 is assumed to be lower than the population growth, due to the impact of covid-19
- b) Housing. The benchmark is moved with population growth and reflated by the relevant CPI to derive current prices.
- c) All other goods with specification of
  - Qat & tobacco, The benchmark for 2017 is moved with the trend of imports and reflated with the relevant CPI.
  - Non-durable goods. Same as d).
  - Durable goods. Same as d).
  - Services except housing. The benchmark is moved with population growth and reflated by the relevant CPI to derive current prices.

**Government final consumption expenditure:** Fiscal data (revenue and expenditure) are available for the central government. Final consumption by central government is based on these data. Data on income and expenditure are available for municipalities and are used to calculate final consumption by local government. The CPI is used as deflator to calculate constant prices.

**Gross fixed capital formation:** The previous estimates were taken as benchmarks for 2012. Current prices are then estimated by moving the benchmarks with: imports according to the Customs Authority of building materials and machinery and transport equipment. US export price indices are used as deflators.

**Exports:** *Live animals* are based on data collected by the Customs Authority. Data are collected on quantities and unit prices and, thus, the current and constant prices are estimated by multiplying quantities by unit prices, for each year regarding current prices, and for the base year regarding constant prices. Exports of *other goods* are also based on Customs data. The data are detailed for 2019 and 2020 and indicate a higher level. Therefore, the years 2012-18 were revised as explained above. Exports of services are based on the number of arriving non-residents with assumptions on their expenditure and length of stay. CPI is used as deflator both for other goods and services.

**Imports.** A benchmark is estimated on the basis of Comtrade at 30 percent of the total, roughly equal to Somaliland's share of the population. The value of imports includes the cost of freight and insurance (CIF) between the exporting country and Somalia and, therefore, 15 percent were

added to adjust for the valuation of exports, which records the value at the border (FOB) of the exporting country. The benchmark is moved with imports data compiled by the Somaliland Customs. Relevant CPI is used as deflator for consumer goods, while US export price indices are used for other goods.