

QUARTERLY ACCOUNTS

Second Quarter 2002

Expenditure and Output approach to GDP

First Eurostat estimates

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Statistics
in focus

ECONOMY AND
FINANCE

THEME 2 – 44/2002

NATIONAL ACCOUNTS

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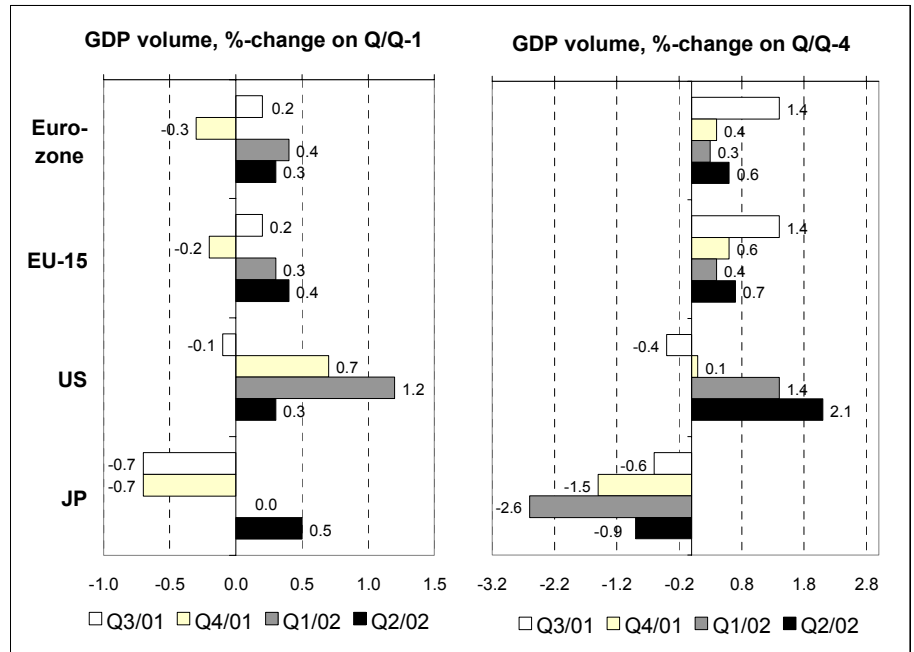
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According to Eurostat's first estimates ⁽¹⁾, the growth of **euro-zone** ⁽²⁾ GDP slowed down during the second quarter 2002, reaching 0.3 %, while that of the **EU15** accelerated, reaching 0.4%. These results follow a 0.4 % and 0.3 % growth, respectively, during the first quarter 2002.

In comparison with the second quarter 2001, GDP in the **euro-zone** and in the **EU15** grew by 0.6 % and 0.7 %, respectively, compared to 0.3 % and 0.4 % during the previous quarter.

In the **United States**, the economy slowed sharply, with GDP up by 0.3 % in the second quarter 2002, after a 1.2 % increase in the previous quarter. However, the **Japanese** GDP rose by 0.5 %. Compared to the same quarter of 2001, a 2.1 % growth was observed in the **United States** in the second quarter 2002 (+ 1.4 % in the previous quarter), as well as a 0.9 % fall in **Japan** (– 2.6 % in the previous quarter)



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⁽¹⁾ Methodological note: data for euro-zone and EU15 are calculated within a coherent and consistent statistical framework using as indicators the available seasonally adjusted data from the Member States. Data are also corrected for working days by some Member States. Given that certain Member States have not published their quarterly accounts yet, and that certain data are provisional, euro-zone and EU15 data must also be considered as provisional. Revisions are likely in the coming weeks.

⁽²⁾ The euro-zone consists of the following countries: Belgium, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Portugal and Finland.

DEVELOPMENT OF GDP AND ITS COMPONENTS

Expenditure components of GDP, euro-zone, EU15, United States and Japan

During the second quarter 2002, the growth of final consumption expenditure of households and NPISHs (FCEH) posted a recovery in the euro-zone (+ 0.4 % compared to - 0.2 % in the previous quarter), whilst accelerating in the EU15 (+ 0.5 % compared to + 0.0 %). Investments recorded once more a fall in the euro-zone (- 0.8 %) and in the EU15 (- 0.5 %), while presenting an improvement in this last case (- 0.6 % and - 0.9 %, respectively, in the first quarter 2002). Exports accelerated remarkably, reaching 1.9 % in both areas (+ 0.1 % during the previous quarter), whereas imports showed a strong recovery, attaining + 1.7 % and + 1.5 %, after - 0.7 % and - 0.4 % in the first quarter 2002.

The most significant contribution to GDP growth in the euro-zone and the EU15 was that of exports (+ 0.7 of GDP variation for both areas), as well as that of the final consumption expenditure of households and non-profit institutions serving households (NPISH) (+ 0.2 and + 0.3 of GDP variation, respectively).

The growth of household and NPISH final consumption expenditure slowed in the United States, reaching + 0.5 %, after a + 0.8 % increase in the previous quarter, while investments dropped again (- 0.6 %) after the previous quarter's positive result (+ 0.4 %). Exports and imports developed by + 2.9 % and + 5.3 %, respectively (+ 0.9 % and + 2.1 % in the previous quarter).

In Japan, the growth of private consumption expenditure slowed down, reaching + 0.3 %, while the fall in investments recorded during the previous quarters reduced (- 0.6 % compared to - 1.7 %). Exports presented a + 5.8 % increase and imports a + 3.8 % resumption, respectively (+ 4.8 % and - 0.1 % in the previous quarter).

Output components of GDP, euro-zone and EU15

During the second quarter 2002, the growth of total gross value added (GVA) remained stable at 0.4 % in the euro-zone and recorded this same rate in the EU15 (+ 0.3 % during the previous quarter). In comparison with the second quarter 2001, total gross value added increased by 0.7 % in the euro-zone and by 0.8 % in the EU15.

Compared to the previous quarter, the highest growth of gross value added was observed for the *Financial activities and business services* branch, with 0.6 % for both areas. It was followed by the growth of the *Other services* branch, stable at + 0.5 % in both areas, and by that of the *Trade, transport and communications* branch, stable in turn at 0.4 %. The growth of GVA in the *Industry* branch slowed to 0.2 % in the euro-zone and to 0.3 % in the EU15 (+ 0.9 % and + 0.5 % in the previous quarter). A 0.1 % resumption in the euro-zone and a - 0.1 % fall in the EU15 were observed for the *Agriculture* branch. Finally, GVA of the *Construction* branch reduced by 0.8 % in the euro-zone and by 0.4 % in the EU15, confirming the previous quarter's results.

GDP and main components — second quarter 2002				
GDP	2nd Quarter 2002	growth compared to 1st quarter 2002	growth compared to 2nd quarter 2001	
Euro-zone	1 563 994.5	0.3	0.6	
EU-15	1 916 932.5	0.4	0.7	
US	1 760 174.9	0.3	2.1	
JP	1 078 524.1	0.5	-0.9	
Domestic Demand	2nd Quarter 2002	growth compared to 1st quarter 2002	growth compared to 2nd quarter 2001	
Euro-zone	1 517 470.6	0.2	-0.2	
EU-15	1 881 287.9	0.2	0.2	
US	1 857 433.4	0.8	2.9	
JP	1 050 741.7	0.2	-1.7	
External Balance	2nd Quarter 2002	Percentage of GDP (seasonally adjusted)		
Euro-zone	46 523.9	3.0		
EU-15	35 644.6	1.9		
US	- 97 249.4	-5.5		
JP	27 783.9	2.6		
Gross Value Added	2nd Quarter 2002	growth compared to 1st quarter 2002	growth compared to 2nd quarter 2001	
Euro-zone	1 474 852.8	0.4	0.7	
EU-15	1 803 064.5	0.4	0.8	
US	:	:	:	
JP	:	:	:	

: Data not available.

T1 GROWTH RATE OF GDP AND EXPENDITURE COMPONENTS

t/t-1 Percentage change over previous quarter - seasonally adjusted - at constant prices (1995)

	GDP				Household & NPISH final consumption expenditure				Government final consumption expenditure				Gross Fixed Capital Formation				Change in Inventories (1)				Domestic Demand				Exports				Imports				External Balance (1)			
	2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002					
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Euro-zone	0.2	-0.3	0.4	0.3	0.1	0.0	-0.2	0.4	0.3	0.4	0.8	0.4	-0.6	-0.9	-0.6	-0.8	-0.3	-0.4	-0.3	-0.2	-0.3	-0.2	0.1	0.2	-0.3	-1.7	0.1	1.9	-1.5	-1.6	-0.7	1.7	2.6	2.6	2.8	3.0
EU-15	0.2	-0.2	0.3	0.4	0.2	0.2	0.0	0.5	0.3	0.5	1.0	0.1	-1.1	-0.7	-0.9	-0.5	-0.2	-0.3	-0.1	-0.1	-0.2	0.0	0.1	0.2	-0.8	-1.6	0.1	1.9	-1.7	-1.2	-0.4	1.5	1.7	1.5	1.7	1.9
US	-0.1	0.7	1.2	0.3	0.4	1.5	0.8	0.5	0.9	1.7	1.0	1.0	-1.8	-1.0	0.4	-0.6	0.0	-0.3	0.4	0.8	0.0	0.7	1.4	0.8	-4.6	-2.5	0.9	2.9	-3.1	-1.3	2.1	5.3	-4.8	-4.8	-5.0	-5.5
JP	-0.7	-0.7	0.0	0.5	-0.1	0.1	0.5	0.3	0.6	0.7	0.4	0.8	-1.4	-2.3	-1.7	-0.6	-0.8	-1.1	-1.5	-1.4	-0.6	-0.7	-0.5	0.2	-3.2	-1.7	4.8	5.8	-3.0	-2.2	-0.1	3.8	1.8	1.8	2.3	2.6

(1) Percentage of GDP.

T2 GROWTH RATE OF GDP AND EXPENDITURE COMPONENTS

t/t-4 Percentage change over the same quarter of the previous year - seasonally adjusted - at constant prices (1995)

	GDP				Household & NPISH final consumption expenditure				Government final consumption expenditure				Gross Fixed Capital Formation				Domestic Demand				Exports				Imports			
	2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Euro-zone	1.4	0.4	0.3	0.6	1.8	1.6	0.4	0.3	2.1	1.4	1.9	1.8	-1.5	-2.5	-2.7	-2.9	0.7	-0.1	-0.2	-0.2	1.3	-3.3	-3.0	0.0	-0.5	-4.9	-4.5	-2.2
EU-15	1.4	0.6	0.4	0.7	2.1	2.0	1.0	1.0	2.0	1.6	2.1	2.0	-1.5	-2.9	-3.1	-3.2	0.9	0.3	0.3	0.2	0.6	-3.6	-3.5	-0.4	-0.8	-4.5	-4.1	-1.8
US	-0.4	0.1	1.4	2.1	1.8	2.8	3.0	3.1	3.8	4.9	4.7	4.7	-4.2	-4.7	-4.3	-2.9	-0.3	0.1	1.8	2.9	-10.1	-11.4	-9.3	-3.4	-7.1	-7.9	-4.1	2.7
JP	-0.6	-1.5	-2.6	-0.9	2.1	1.6	0.2	0.8	2.3	3.0	2.2	2.5	-2.8	-6.1	-7.5	-5.9	0.3	-1.1	-2.8	-1.7	-10.1	-11.3	-5.4	5.5	-2.7	-8.9	-8.7	-1.7

T3 GDP AND EXPENDITURE COMPONENTS

levels Second quarter 2002 - millions of euro - seasonally adjusted - at constant prices (1995)

	GDP	Household & NPISH final consumption expenditure				Government final consumption expenditure				Gross Fixed Capital Formation				Change in Inventories				Domestic Demand				Exports				Imports				External Balance			
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2				
Euro-zone	1 563 994.5	883 879.2				311 306.6				325 430.9				- 3 146.1				1 517 470.6				596 422.6				549 898.7				46 523.9			
EU-15	1 916 932.5	1 113 626.2				382 394.0				387 696.7				- 2 429.1				1 881 287.9				727 508.4				691 863.8				35 644.6			
US	1 760 174.9	1 224 108.7				256 496.1				362 025.1				14 794.4				1 857 433.4				205 296.1				302 545.5				- 97 249.4			
JP	1 078 524.1	603 569.5				185 750.4				276 859.1				- 15 438.7				1 050 741.7				120 485.8				92 702.0				27 783.9			

T4 GROWTH RATE OF GDP AND GROSS VALUE ADDED BY INDUSTRY**t/t-1** Percentage change over previous quarter - seasonally adjusted - at constant prices (1995)

	GDP				Agriculture, hunting and fishing				Industry, incl. Energy				Construction				Trade, transport and communication services				Financial services and business activities				Other services				Total Gross Value Added (A6)			
	2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
euro-zone	0.2	-0.3	0.4	0.3	1.4	-0.3	-0.3	0.1	-0.1	-1.8	0.9	0.2	-0.1	0.0	-0.8	-0.8	0.1	-0.1	0.4	0.4	0.5	0.3	0.2	0.6	0.3	0.4	0.5	0.5	0.2	-0.3	0.4	0.4
EU-15	0.2	-0.2	0.3	0.4	1.1	-0.3	-0.2	-0.1	-0.1	-1.8	0.5	0.3	0.1	0.3	-0.4	-0.4	0.2	0.0	0.4	0.4	0.6	0.4	0.2	0.6	0.4	0.4	0.5	0.5	0.3	-0.2	0.3	0.4

T5 GROWTH RATE OF GDP AND GROSS VALUE ADDED BY INDUSTRY**t/t-4** Percentage change over the same quarter of the previous year - seasonally adjusted - at constant prices (1995)

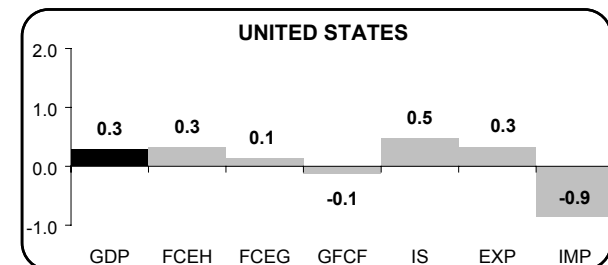
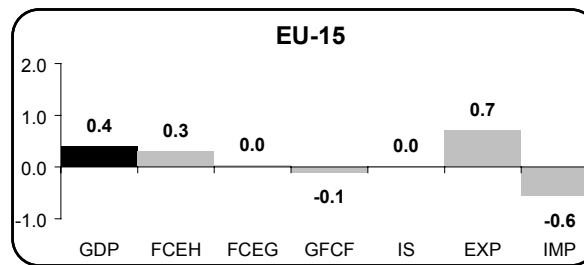
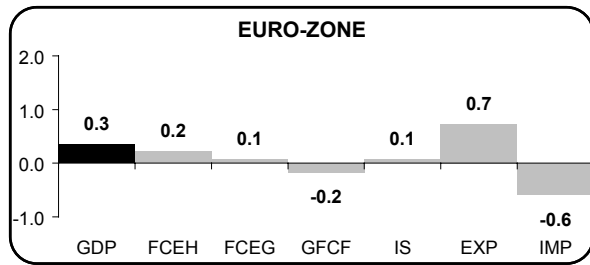
	GDP				Agriculture, hunting and fishing				Industry, incl. Energy				Construction				Trade, transport and communication services				Financial services and business activities				Other services				Total Gross Value Added (A6)			
	2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
euro-zone	1.4	0.4	0.3	0.6	-0.8	-0.3	0.9	0.9	0.7	-1.9	-2.1	-0.9	-0.6	-0.7	-1.1	-1.7	2.4	1.2	0.9	0.9	2.6	2.2	1.7	1.6	1.5	1.4	1.7	1.8	1.6	0.6	0.5	0.7
EU-15	1.4	0.6	0.4	0.7	-1.7	-0.9	0.6	0.5	0.2	-2.3	-2.5	-1.1	0.2	0.3	0.0	-0.5	2.4	1.4	1.0	1.0	2.9	2.5	2.0	1.9	1.6	1.6	1.7	1.8	1.7	0.8	0.6	0.8

T6 GDP AND GROSS VALUE ADDED BY INDUSTRY**levels** Second quarter 2002 - millions of euro - seasonally adjusted - at constant prices (1995)

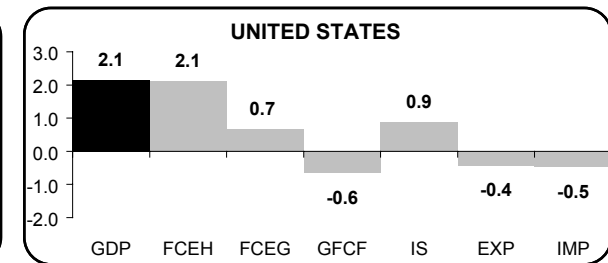
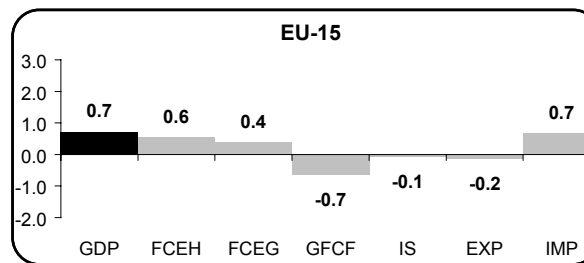
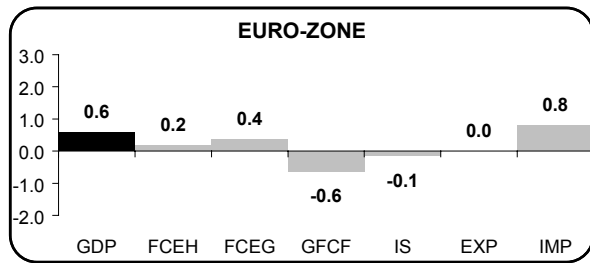
	GDP	GDP						Total Gross Value Added (A6)	Taxes less subsidies on products	FISIM
		Agriculture, hunting and fishing	Industry, incl. Energy	Construction	Trade, transport and communication services	Financial services and business activities	Other services			
EURO-ZONE	1 563 994.5	38 162.4	334 671.5	76 297.2	323 794.8	397 446.7	304 480.3	1 474 852.8	154 815.7	65 674.1
EU-15	1 916 932.5	43 476.2	407 848.9	91 997.6	400 126.1	486 004.6	373 611.2	1 803 064.5	194 609.5	80 741.5

FISIM: Financial Intermediation Services Indirectly Measured.

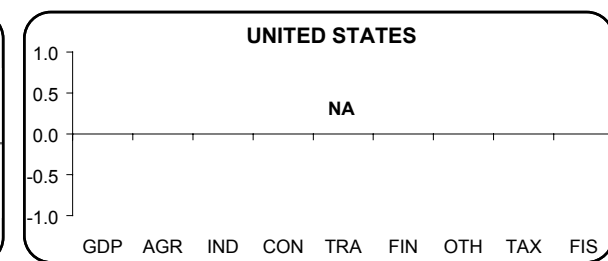
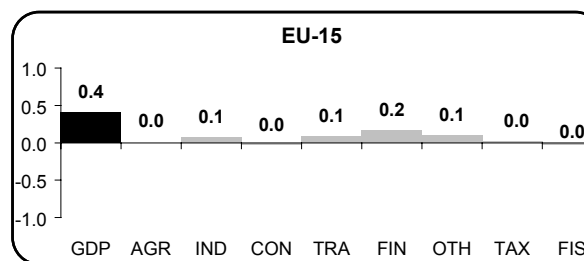
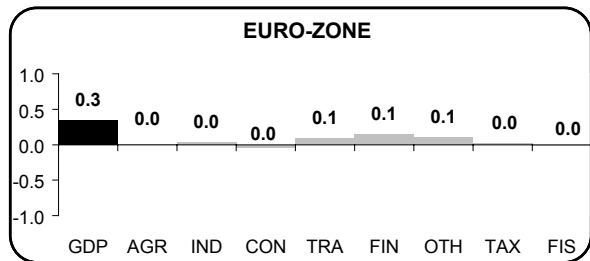
Contribution (*) of expenditure components to variation in GDP
Q/Q-1 – Second Quarter 2002



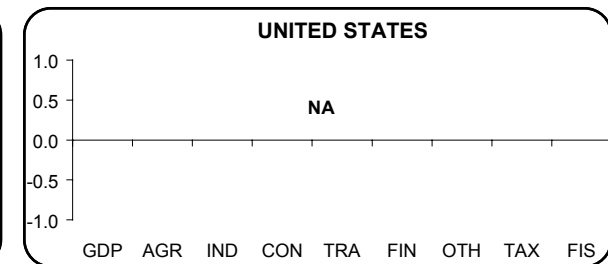
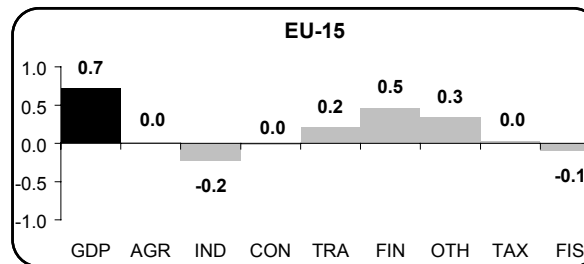
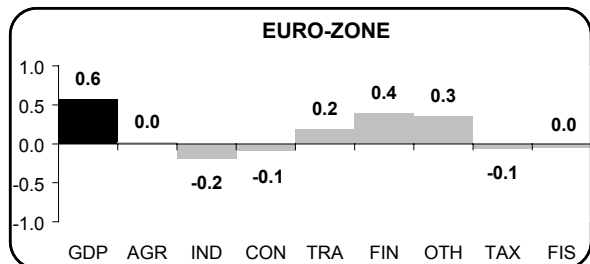
Q/Q-4 - First Quarter 2002



Contribution of output components to variation in GDP
Q/Q-1 – Second Quarter 2002



Q/Q-4 – Second Quarter 2002



(*) Contributions to change in GDP are calculated by expressing absolute changes in components as a percentage of the GDP in the period referenced (q-1 or q-4, respectively). See the legend on page 7 for an explanation of the abbreviations used in the graphs.

T7 CONTRIBUTION OF EXPENDITURE COMPONENTS TO VARIATION IN GDP**t/t-1 GDP variation over previous quarter - seasonally adjusted - at constant prices (1995)**

	GDP				Household & NPISH final consumption expenditure				Government final consumption expenditure				Gross Fixed Capital Formation				Change in Inventories				Exports				Imports						
	2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002				
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Euro-zone	0.2	-0.3	0.4	0.3	0.1	0.0	-0.1	0.2	0.1	0.1	0.2	0.1	-0.1	-0.2	-0.1	-0.2	-0.3	-0.1	0.1	0.1	-0.1	-0.6	0.0	0.7	0.6	0.6	0.3	-0.6			
EU-15	0.2	-0.2	0.3	0.4	0.1	0.1	0.0	0.3	0.1	0.1	0.2	0.0	-0.2	-0.1	-0.2	-0.1	-0.1	-0.1	0.1	0.0	-0.3	-0.6	0.0	0.7	0.6	0.4	0.1	-0.6			
US	-0.1	0.7	1.2	0.3	0.2	1.0	0.5	0.3	0.1	0.3	0.1	0.1	-0.4	-0.2	0.1	-0.1	0.0	-0.3	0.7	0.5	-0.6	-0.3	0.1	0.3	0.5	0.2	-0.3	-0.9			
JP	-0.7	-0.7	0.0	0.5	-0.1	0.1	0.3	0.2	0.1	0.1	0.1	0.1	-0.4	-0.6	-0.4	-0.2	-0.3	-0.3	-0.4	0.0	-0.3	-0.2	0.5	0.6	0.3	0.2	0.0	-0.3			

t/t-4 GDP variation over the same quarter of the previous year - seasonally adjusted - at constant prices (1995)

Euro-zone	1.4	0.4	0.3	0.6	1.0	0.9	0.2	0.2	0.4	0.3	0.4	0.4	-0.3	-0.5	-0.6	-0.6	-0.4	-0.7	-0.2	-0.1	0.5	-1.3	-1.2	0.0	0.2	1.8	1.6	0.8
EU-15	1.4	0.6	0.4	0.7	1.2	1.1	0.6	0.6	0.4	0.3	0.4	0.4	-0.3	-0.6	-0.7	-0.7	-0.4	-0.6	-0.1	-0.1	0.2	-1.4	-1.4	-0.2	0.3	1.7	1.5	0.7
US	-0.4	0.1	1.4	2.1	1.2	1.9	2.0	2.1	0.5	0.7	0.7	0.7	-0.9	-1.0	-0.9	-0.6	-1.1	-1.4	0.2	0.9	-1.3	-1.5	-1.2	-0.4	1.3	1.4	0.7	-0.5
JP	-0.6	-1.5	-2.6	-0.9	1.2	0.9	0.1	0.4	0.4	0.5	0.4	0.4	-0.8	-1.7	-2.1	-1.6	-0.4	-0.7	-1.1	-0.9	-1.1	-1.3	-0.6	0.6	0.2	0.8	0.8	0.1

T8 CONTRIBUTION OF GROSS VALUE ADDED BY INDUSTRY TO VARIATION IN GDP**t/t-1 GDP variation over previous quarter - seasonally adjusted - at constant prices (1995)**

	GDP				Agriculture, hunting and fishing				Industry, incl. Energy				Construction				Trade, transport and communication services				Financial services and business activities				Other services				Taxes less subsidies on products				FISIM			
	2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002		2001		2002					
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2				
Euro-zone	0.2	-0.3	0.4	0.3	0.0	0.0	0.0	0.0	0.0	-0.4	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EU-15	0.2	-0.2	0.3	0.4	0.0	0.0	0.0	0.0	0.0	-0.4	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0

t/t-4 GDP variation over the same quarter of the previous year - seasonally adjusted - at constant prices (1995)

Euro-zone	1.4	0.4	0.3	0.6	0.0	0.0	0.0	0.0	0.2	-0.4	-0.5	-0.2	0.0	0.0	-0.1	-0.1	0.5	0.3	0.2	0.2	0.7	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.0	0.0	-0.1	-0.1	-0.2	-0.2	-0.1	0.0
EU-15	1.4	0.6	0.4	0.7	0.0	0.0	0.0	0.0	0.0	-0.5	-0.5	-0.2	0.0	0.0	0.0	0.0	0.5	0.3	0.2	0.2	0.7	0.6	0.5	0.5	0.3	0.3	0.3	0.3	0.1	0.0	0.0	0.0	-0.2	-0.2	-0.1	-0.1

FISIM: Financial Intermediation Services Indirectly Measured.

➤ ESSENTIAL INFORMATION – METHODOLOGICAL NOTES

Data are compiled in accordance with ESA 1995 (European System of Accounts) which is described in Council Regulation No 2223/96 of 25. June 1995.

Gross Domestic Product (GDP) at market prices is the final result of the production activity of resident producer units. It may be compiled from different sources relating to different approaches:

Using the **expenditure approach**, GDP is obtained from the following equation:

$$\begin{aligned} \text{GDP} = & \text{Household final consumption expenditure} \\ & + \text{Government final consumption expenditure} \\ & + \text{Gross fixed capital formation} \\ & + \text{Change in inventories} \\ & + \text{Exports} \\ & - \text{Imports.} \end{aligned}$$

The first four components constitute **domestic demand**, the balance of the latter two, i.e. exports minus imports, is the **external balance**.

Final consumption expenditure (ESA 1995 3.75) is defined as expenditure on goods and services that are used for the direct satisfaction of individual or collective needs. The consumption expenditure may take place on the economic territory or abroad. **Household final consumption expenditure** entails the expenditure of non-profit institutions serving households (NPISHs). **Government final consumption expenditure** includes the value of goods and services produced by general government itself other than own-account capital formation, and purchases by general government of goods and services produced by market producers that are supplied to households — without any transformation — as social transfers in kind.

Gross fixed capital formation (ESA 1995, 3.102) consists of acquisitions, less disposals, of fixed tangible or intangible assets.

Changes in inventories (ESA 1995, 3.117) are measured by the value of the entries into inventories less the value of withdrawals and recurrent losses. Inventories include materials and supplies as well as work-in-progress and growing crops.

Exports and imports (ESA 1995, 3.128 f.) of goods and services are transactions between residents and non-residents. They consist of sales, barter, gifts and grants. Imports and exports of goods are valued free on board at the border of the exporting country (f.o.b.).

Using the **output approach**, GDP is obtained from the following equation:

$$\begin{aligned} \text{GDP} = & \text{Total Gross value added (A6)} \\ & + \text{Taxes less subsidies on products} \\ & - \text{FISIM.} \end{aligned}$$

Gross value added (GVA) (ESA 1995, 8.11) is defined as the value of all newly generated goods and services less the value of all goods and services consumed as intermediate consumption. The depreciation of fixed assets is not taken into account. Gross value added is compiled by industry that creates it. Here, the A6 breakdown of the NACE Rev. 1 is used. This is the European classification of economic activities governed by Council Regulation 3037/90 of 9 October 1990. It should be noted that total gross value added, i.e. the sum of industries' GVA, still contains some intermediate consumption (FISIM, see below). GVA of a whole economy is therefore to be calculated as Total GVA minus FISIM.

When calculating value added, output is valued at basic prices and intermediate consumption at purchaser's prices, and thus the difference between taxes and subsidies on products has to be added to value added.

Taxes less subsidies on products (ESA 1995, 9.47) are, in fact, a part of value added measured in the government accounts because of the different prices used. The GDP resulting from the above equation will then be valued at market prices.

FISIM (Financial Intermediation Services Indirectly Measured, ESA 1995, 8.14) is a kind of intermediate consumption paid to financial service providers via the interest margin, which cannot be allocated directly to individual customers as intermediate consumption, so value added is overestimated for the branches. FISIM is therefore normally considered to be intermediate consumption at the national economy level.

Legend:

GDP:	Gross Domestic Product
FCEH:	Household final consumption expenditure
FCEG:	Government final consumption expenditure
GFCF:	Gross fixed capital formation
IS:	Changes in inventories
IMP:	Imports
EXP:	Exports
EB:	External balance

GVA:	Gross Value Added
AGR:	Agriculture, hunting and fishing
IND:	Industry, including energy
CON:	Construction
TRA:	Trade, transport and communication services
FIN:	Business activities and financial services
OTH:	Other services
TAX:	Taxes less subsidies on products
FIS:	FISIM

