



Samoa Bureau of Statistics

National Accounts Aggregates

Annual Analysis - 2022

Introduction:

This publication presents a summary of the principal national accounting aggregates at current prices based on official national accounts data compiled, published and disseminated for Samoa on an annual calendar basis. Data is primarily available in the form of analytical tables and charts. There are many levels of National Accounts Aggregates as presented in annex tables attached. For the purposes of maintaining the highest level of accuracy, this brief analysis will focus on three main aggregates namely, Gross Domestic Product (GDP), Gross National Income (GNI) and lastly Gross National Disposable Income (GNDI).

The main purpose behind accumulating national accounts statistics on a more aggregated level is to assist the Government, stakeholders, users, producers and the public at large in making informed, realistically based and factual planning for the development of the economy within the Independent Nation of Samoa.

National Accounts Aggregates

Chart 1: Trends of Annual National Accounts Aggregates

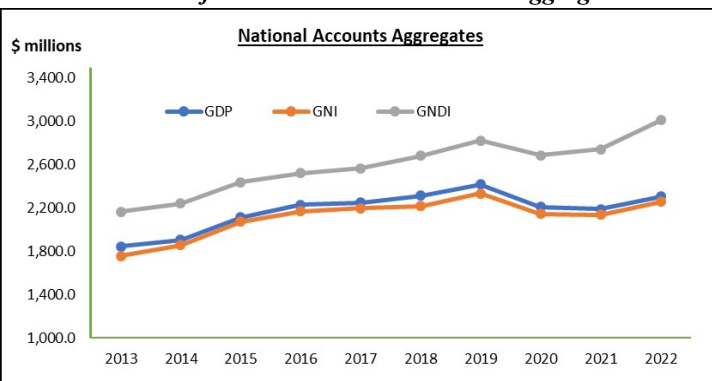


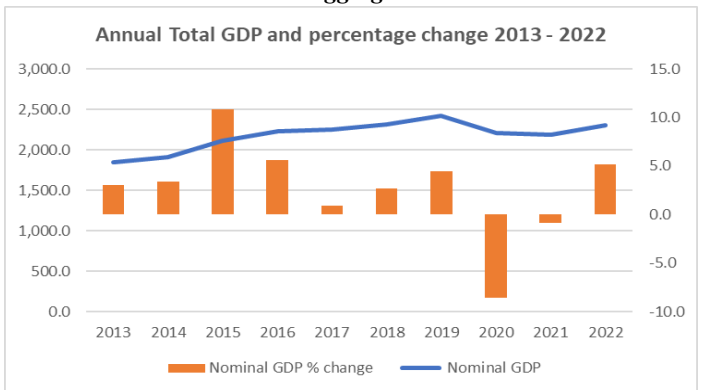
Chart 1 illustrates the level of the three main National accounts aggregates within the economy for the calendar years 2013 to 2022 which is the year under review. Gross Domestic Product (GDP) and Gross National Income (GNI) throughout the years follow the same trend whereas Gross National Disposable Income (GNDI) increased its share to total growth for the two previous calendar years. As illustrated in the above chart, the nation's economy peaked in 2019 and later declined during the pandemic peri-

od with recorded aggregated increase in growth in the calendar year under review. GNDI has had the most significant growth through this period mainly through wages received by nationals working under seasonal work schemes transferred into the country via remittances as well as financial assistance remitted from relatives and friends residing abroad into the country.

Gross Domestic Product (GDP):

Gross Domestic Product for the year 2022 recorded a total value added of \$2,305 million (or \$2.3 billion) translating to a 5.2% growth in total nominal GDP compared to the year 2021 which recorded a total value of \$2,191.4 million (or \$2.2 billion). It is the first year of positive growth following two consecutive years of negative growth in current prices.

Chart 2: National Accounts Aggregates - GDP



The economic wealth of the country continued to decline in growth up until June 2022 due to the impacts of Covid-19 community cases which affected economic activities within these quarters in terms of international travel restrictions, global control measures and national lockdown. It directly affected most sectors of the economy with retailing and wholesaling activities, services ventures, transport, construction activities and manufacturing of products being the hardest hit during the first two quarters of 2022. The reopening of international borders in August together with the celebration of the country's 60th Independence anniversary triggered the influx of visitors, tourists, business par-

National Accounts Aggregates - Annual Analysis 2021

terres and visiting families and friends which helped the country's economy regain its pre-pandemic economic status.

Gross National Income (GNI)

Secondly, Gross National Income (GNI) is made up of Gross Domestic Product plus Primary Income received less Primary Income paid. Primary Income includes Compensation of Employees (COE), Investment and Other Income. GNI includes incomes generated in another country but are accrued to the economy at state and vice versa. Gross National Income for the year 2022 recorded a total value of \$2,259.1 (or \$2.3 billion). Investment Income is the sub-component that contributed most to the decline in GNI; compensation of employees and other income however were fairly minimal in value.

Chart 3: Percentage Change in Gross Domestic Product and Gross National Income, 2013 - 2022

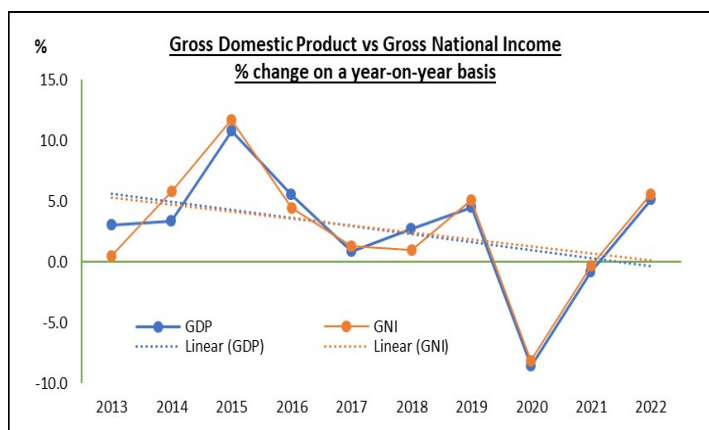


Chart 3 above shows GDP and GNI growth rates as measured by the percentage change on an annual basis. GNI like GDP has also increased in growth for the reviewed year by 5.2% and 5.6% respectively. Both measures have fluctuated a lot during the ten year period with overall downward trends. Both measures have peaked in 2015 and have also both reached their lowest in the previous calendar year 2020.

Compensation of Employees (net) and Other Primary Income (net) also contribute to the calculation of GNI; its levels however are not significant as included in accompanied tables attached hereafter. The GNI level relative to GDP also reflects the contribution of foreign direct investment in Samoa, where transfer payments remit back to mother companies recorded in the Balance of Payments debits.

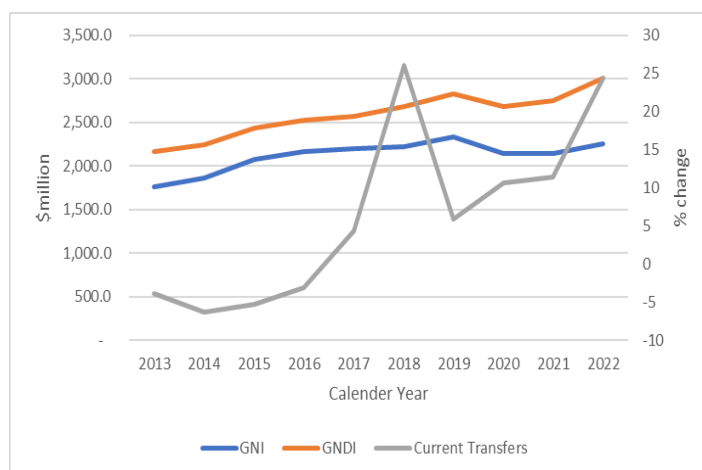
Gross National Disposable Income (GNDI)

Gross National Disposable Income is a result of Gross National Income plus Transfer Income less Transfer Income paid. GNDI as stated in the SNA 2008 (p.35) measures the income available to the total economy for final consumption and gross saving. The Gross National Disposable Income, includes net factor income that is

captured by GNI and remittances or current transfers. This in totality provides a better view of the income available to a country's residents. GNDI for the calendar year 2022 recorded a total value of \$3,013.7 million (or \$3.0 billion); it went up by 9.8% compared to the year 2021.

Chart 4 shows the Gross National Disposable Income and its components which are GNI and current transfers. As shown, the percentage change for GNI on an annual basis was at 5.6%; however, after adding in transfers the recorded economy improved significantly by resulting in a positive growth overall of 9.8% for GNDI.

Chart 4: GNDI Components 2013 - 2022



Current Transfers better known as remittances received from abroad through relatives, friends has increased rapidly in the previous years. It recorded a total value of \$808.4 million for the year 2022 compared to the \$661.6 million acquired in the year 2021 which saw an increase in transfers by 24.4% on a year-on-year basis. Remittances received from Australia increased by 36.1% (or \$76.6 million) whereas an 18.9% growth (or \$52.6 million) was received from transfers from New Zealand. This rapid increase in current transfers into the county is a strong indicator of the contribution made by locals who have travelled abroad under Seasonal Employment Schemes to New Zealand and Australia better provide financially for families as well as the contribution of relatives residing abroad in injecting financial assistance for family all year round. For more than 6 years, current transfers has increased on a year-on-year basis thus improving the level of GNDI as a whole.

NATIONAL ACCOUNTS AGGREGATES FRAMEWORK

Background Information

INTRODUCTION

The compilation of national accounts aggregates is a dynamic process, and therefore needs to adapt to reflect a variety of measures and indicators consistent with developments and structural changes in the economy over a period of time. These main aggregates and its components are among the most significant indicators of the state of any economy. It is therefore expected that revisions and updates are made to the historical series on a quarterly or annual basis as new data sources are brought into the model and as various benchmarks and assumptions are validated and updated.

This annual National Accounts Aggregate analysis is the second of the annual series on calendar year basis of estimates on this level. This report is an ongoing publication and can also be downloaded from our website www.sbs.gov.ws.

ABOUT NATIONAL ACCOUNTS MEASURES

Gross domestic product (GDP) is Samoa's official measure of economic growth. GDP is compiled and published using the **production and expenditure approach**. The expenditure approach measures the total value of all final goods and services purchased in an economy over a set period of time. That includes all consumer spending, government spending, business investment spending and net exports.

National Accounts Aggregates: The Bureau in its endeavor to provide quality statistics on a higher level to assist the Government and country in making informed decisions, data-based planning and sound policy making have compiled these statistics. Following international guidelines and recommendations provided and put in place have produced national aggregates for the first time. The GDP tables attached to this report follows the broad groupings based on the International Standard Industry Classification (ISIC) Revision 4. Classification of economic activity is important in the determination of the extent and nature of the information collected and the quality of the data compiled.

- Gross Domestic Production;
- Gross National Income (sub-categorized into Compensation of Employees, Investment Income and Other Primary Income);
- Gross National Disposable Income (sub-categorized into Cur-

rent Transfers);

- Gross National Savings (including Household FCE, General Government FCE and NPISH-FCE);
- Changes in Net Worth due to Saving and Capital Transfers (including Capital Transfers net); and
- Net Lending / Net Borrowing (-) (including Gross Fixed Capital Formation, Changes in Inventories, Acquisitions less Disposals of Valuables and Acquisitions less Disposals of Non-produced Non-financial assets).



SBS Vision:
"To strengthen Statistical services for the development of Samoa"

National Accounts & Finance Statistics
Division
FMFM II Building, Level 2 PO Box 1151
Apia, Samoa

Phone: (685) 62006 / 29326
Fax: (685) 24675
E-mail: fsd@sbs.gov.ws

A handwritten signature in black ink, appearing to read "Fiu Ponifasio Vasa".

Fiu Ponifasio Vasa

ACTING GOVERNMENT STATISTICIAN / CEO