



Samoa Bureau of Statistics

GDP (Expenditure)

Financial Year Analysis - 2023/2024

Overview

11th October 2024



With the Compliments of the
GOVERNMENT STATISTICIAN

Special points of interest:

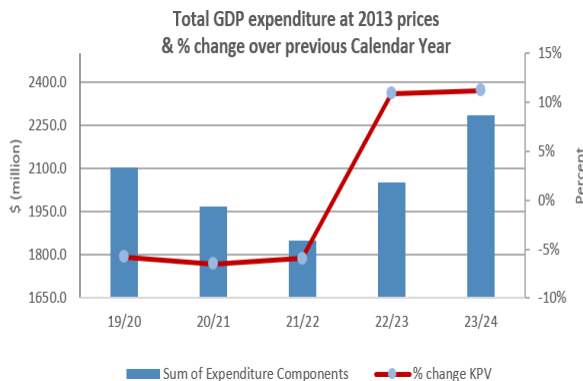
- **GDP(E) Growth: 9.2%**
- **GDP(E) at Constant 2013 Prices (real) - WST \$2,284.3 million**
- **GDP at Current Prices (nominal) - WST \$3,156.2 million**

Inside this issue:

Overview	1
GDP(E) Growth	1
Final Consumption Expenditure (FCE)	1
Gross Capital Formation (GCF)	2
Balance on External Goods & Services (Net Exports)	2
Background Information on GDP Expenditure	3

Gross Domestic Product (GDP) by expenditure in constant 2013 terms for the financial year ending June 2024 (FY23/24) went up by 9.2% when compared to FY2022/23. This is the second FY of positive growth in expenditure following three consecutive declines since FY2019/20. Total sum of expenditure components at constant prices stood at \$2,284.3 million (approximately \$2.3 billion) for the financial year under review. Chart 1 shows total GDP expenditure at constant prices from FY2013/14 to FY2023/24 with year-on-year (y-o-y) growth rates as measured by percentage change compared to the previous financial year.

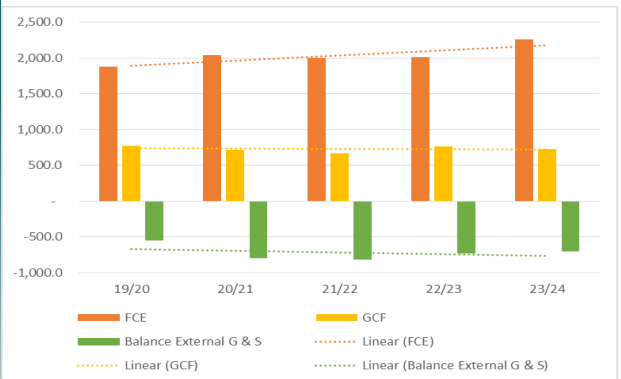
Chart 1: Total GDP expenditure at constant prices & growth rates, FY2019/20 - FY2023/24



GDP Expenditure Growth:

The main components that make up total expenditure includes Final Consumption Expenditure (FCE), Gross Capital Formation (GCF) and Balance on External Goods and Services as illustrated in Chart 2 below. FCE went up by 10.2% (or \$209.2 million) for the FY23/24 compared to the previous FY22/23. GCF and Balance on external goods and services however both declined by 6.0% and 4.0% respectively. Exports of goods and services for the financial year under review went down by 1.8% (or \$10.7 million) when compared to the previous financial year 22/23.

Chart 2: Total GDP expenditure at constant prices by component FY2019/20 - FY2023/24



Total GDP expenditure of \$3,156.2 million (\$3.2 billion) in nominal terms was recorded for the financial year ending June 2024. It went up by 17.4% compared to the previous financial year. Final Consumption Expenditure and Gross Capital Formation both recorded positive growths of 12.5% and 1.6% respectively on a year-on-year basis. Balance on goods and services on the other hand declined by 15.1% in the year under review.

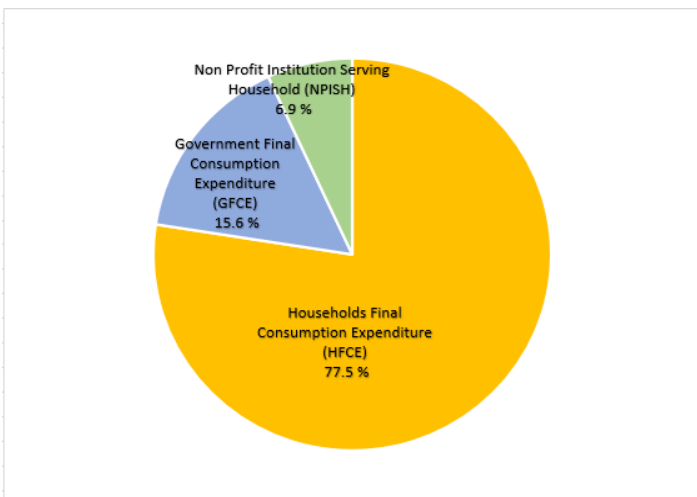
Final Consumption Expenditure (FCE)

FCE accounts for expenditure on goods and services primarily used for the direct satisfaction of individual needs (consumption). Total FCE on an annual basis for the financial year under review (FY23/24) amounted to \$2,260.7 million in constant terms which increased by 10.2% compared to \$2,051.5 million in FY2022/23. Household Final Consumptions Expenditure (HFCE) which include activities such as household purchases of products and payments went up by 9.6% compared to the previous financial year. Expenditure in other food imported, restaurants and hotels, recreation & culture, tobacco, communication, transport, housing electricity, gas and water, transport, recreation, alcoholic beverages, food beverages as well as tobacco contributed significantly to the recorded increase in HFCE.

Non-Profit Institutions serving Households Final Consumption Expenditure (NPISH FCE) also went up by 26.0% compared to FY2022/23. Funding from overseas counterparts which accounted for 44.5% of NPISH FCE increased by 59.6% for the financial year under review compared to FY2022/23. Funding from domestic households went up by 5.6% which accounts for more than half of NPISH consumption expenditure.

Total FCE in constant terms comprises of 77.5% HFCE, 15.6% GFCE and 6.9% NPISH-FCE as shown in Chart 3 below for the year under review.

Chart 3: Final Consumption Expenditure Composition FY2023/24 at constant 2013 prices.



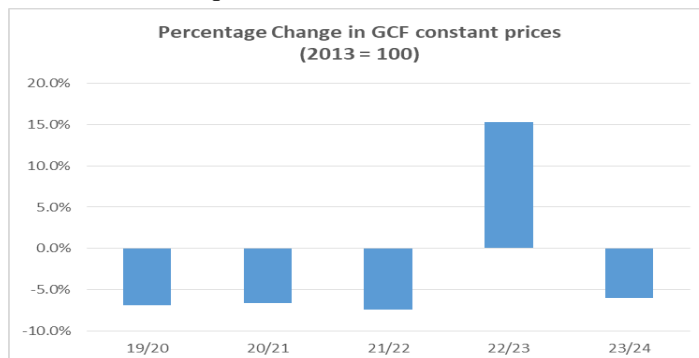
Nominal FCE in the financial year ending June 2024 amounted to \$2,912.3 million (\$2.91 billion) which has increased by 12.5% compared to the previous FY ending June 2023. General Government contributed the most to this outturn at \$534.9 million increasing by 15.0% compared to \$465.0 million in the previous financial year ending June 2023. NPISH-HFCE also increased by 12.8% while Non-Profit institutions serving Households decreased by 26.0%

Gross Capital Formation (GCF)

Total GCF on an annual basis in FY2023/24 amounted to \$723.7 million in constant terms which declined by 6.0% compared to \$770.2 million in the year ending June 2023. Gross Fixed Capital Formation as shown in Chart 4 below illustrates the percentage change in GCF in real terms. Its trend is consistent with the effects caused by the pandemic that caused a negative growth for three consecutive FY. FY2023/24 recorded a decrease in growth due to a decrease in imported durable equipment consistent with a decline infrastructural developments conducted within this reviewed period compared to its levels in the previous financial year ending June. Gross Fixed Capital Formation (GFCF) also known as investment is the acquisition of produced assets including construction, durable equipment and cultivated resources went down by 6.1% compared to FY2022/23. Durable equipment which comprises more than half of GFCF also went down by 7.1% compared to

FY2022/23. This component accounts for more than 50.4% of GFCF. Construction which accounts for 49.5% of GFCF went down by 5.2% for the financial year under review. Inventories which accounts for 7.0% of Gross Capital Formation also went down by 8.6% compared to FY2022/23.

Chart 4: Gross Capital Formation

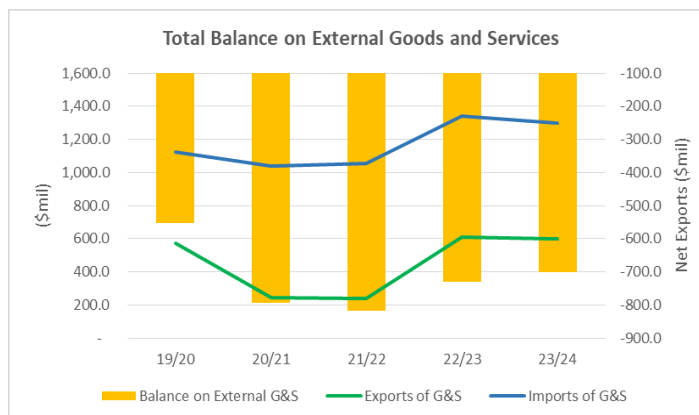


In nominal terms, Gross Capital Formation in FY2023/24 amounted to \$965.1 million, a 1.6% increase compared to the \$949.9 million recorded in FY2022/23. Both Construction and change in Inventories in total GCF went down by 7.2% and 2.7% respectively compared to the FY ending June 2023.

Balance on External Goods and Services

Balance on External Goods and Services also known as net exports is the balance between exports and imports of goods and services within the country for a period of 12 months. On an annual basis, net exports in FY2023/24 amounted to -\$700.2 million in constant terms which decreased by 4.0% compared to -\$729.6 million in FY2023/24. The level of imported merchandise goods and services was quite significant compared to the total amount of exported produce shipped to other countries for trade. Exports of goods and services went down by 1.8% (or \$10.7 million) compared to FY2023/24 indicating a negative growth in exports of both goods and services to other countries. Import of goods and services also decreased by 3.0% compared to the previous financial year. Imports registered total expenditure in constant terms of \$1,299.0 million (\$1.3 billion); merchandise goods which accounts for 75.4% also went down by 3.3% for FY2023/24.

Chart 5: Balance on External Exports & Imports of Goods at Services (2013 = 100)



GDP EXPENDITURE FRAMEWORK

Background Information

INTRODUCTION

The compilation of national accounts statistics using the expenditure approach 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. 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 GDP report at expenditure approach is the sixth annual series of GDP estimates at constant and current prices using the expenditure approach. This report is an ongoing publication and can also be downloaded from our website www.sbs.gov.ws.

ABOUT GROSS DOMESTIC PRODUCT

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.

Broad industry groups: 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.

- Final Consumption Expenditure (sub-categorized into Households, General Government and Non-Profit Institutions Serving Households);
- Gross Capital Formation (sub-categorized into Gross Fixed Capital Formation, Changes in Inventories and Acquisitions less Disposals of Valuables); and
- Balance on External Goods and Services (sub-categorized into Exports and Imports of Goods and Services)

REVISIONS

The GDP numbers are subject to revisions in the next publication pending the availability of revised numbers from the sources on an annual basis.



SAMOA
BUREAU OF STATISTICS

With the Compliments of the
GOVERNMENT STATISTICIAN

Postal Address:

P.O Box 1151

Apia Samoa

(685) 62000

info.stats@sbs.gov.ws