



Palestinian Central Bureau of Statistics

Press Release For The Palestinian National Accounts (2001-2002)

July, 2004

"Cover Price 4 US\$"

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Suggested Citation:

Palestinian Central Bureau of Statistics, 2004. *Press Release for the
Palestinian National Accounts (2001-2002)*
Ramallah - Palestine.

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Palestinian Central Bureau of Statistics

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Press Release
Main Findings for the Palestinian National Accounts 2001-2002

Substantial Decline in the main economic indicators

Substantial Decline in the National Accounts Indicators 2001

The findings of the National Accounts at constant prices of the Palestinian Territory for the years 2001, 2002 show Substantial decline in the performance of the economy for the years 2001,2002. The GDP and the GNI estimates have substantially decreased during those years, as well as their per capita indicators. The value of the Gross Domestic Product for the year 2001 was 4,325.7 million US\$, with a decline of 11.4% compared to the year 1999 and 6.4% compared to the year 2000 at constant prices (1997 is the base year). At the same time GDP per capita declined by 18.9% compared to the year 1999 and 10.6% with the year 2000.

As for the Gross National Income of the Palestinian Territory and its per capita, the Gross National Income amounted to 4,817.4 million US\$ during the year 2001 declined by 17.5% and 11.2% compared to the years 1999 and 2000 respectively. While the GNI per capita declined by 24.5% compared to the year 1999 and 15.2% with the year 2000. The same trend was for the Disposable Income for the year 2001 amounted to about 5,840.7 million US\$ declined by 6.9% compared to the year 1999 and by 3.2% compared to the year 2000. As for the per capita of the Gross Disposable Income it declined by 14.8% and 7.5% in accordance to the years 1999 and 2000 respectively.

**Main National Accounts Indicators in the Palestinian Territory at constant prices
(1999-2002)**

value in US\$ million

Indicator	1999	2000	2001	2002
Gross Domestic Product (GDP)	4,883.4	4,619.2	4,325.7	4,169.3
Gross National Income (GNI)	5,842.6	4,426.5	4,817.4	4,570.7
Gross Disposable Income (GDI)	6,273.2	6,031.1	5,840.7	5,739.0
GDP per capita	1,617.2	1,466.4	1,311.2	1,203.4
GNI per capita	1,934.9	1,722.7	1,460.3	1,319.3
GDI per capita	2,077.4	1,914.6	1,770.5	1,656.5

Continuous Decline during 2002

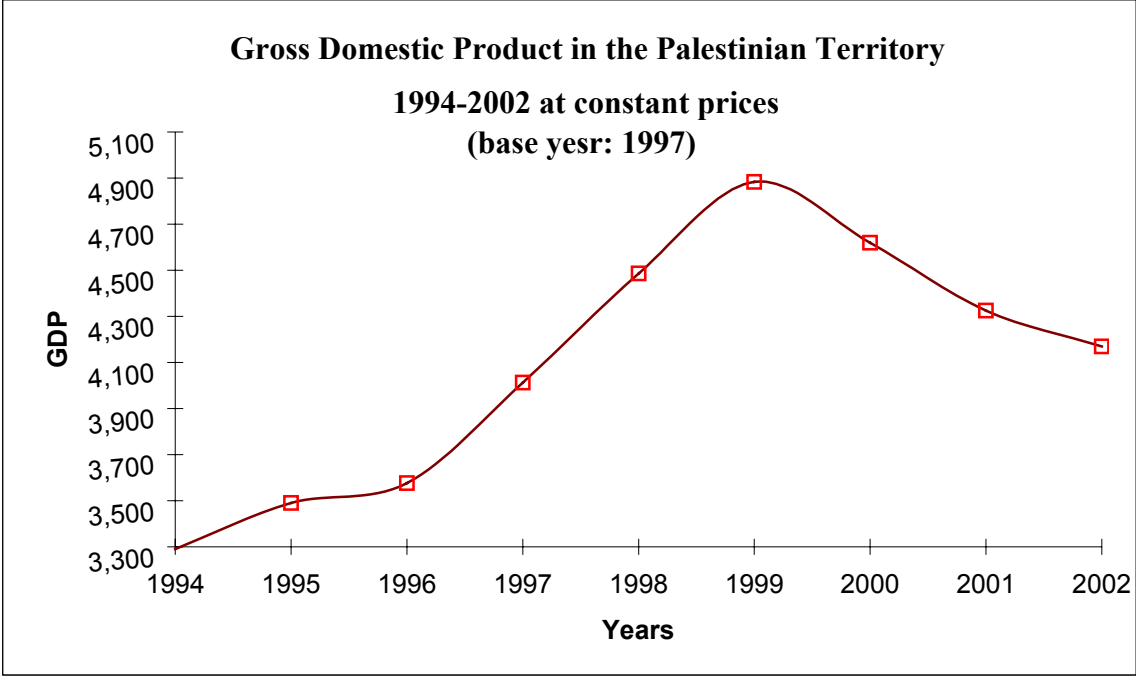
There was substantial decline in the performance of the different activities during the year 2002, therefore the value of the total decline in the GDP increases from 264.2 2 million US\$ by the end of the year 2000 to become 1,536 million US\$ by the end of the year 2002, the value of this decline was about half for the GDP of the year 1999.

This refer to the point that the GDP reached its lowest level during the year 2002, and it was 4,169.3 million US\$, declined by the amount of 14.6% compared with 1999 and 3.6% with the year 2001.

On other hand, the compensation of empolyees from Israel and settelments declined during the year 2002, and the decline amounted - as a result of closing the Israeli Labour Market beyond the Palestinian workers- to 1,263 million US\$ during the first 27 month of Intifada.

In accordance to the Gross compensation of employees in Israel for the year 1999, 584 million US\$ was during 2002.

Therefore, the amount of the declines in the GDP and working in Israel by the end of the year 2002 compared to the year 1999 about 2,798.9 million US\$, amounted to half of the GDP for the year 1999.



Percentage Contribution of Economic Activity to GDP

The percentage contribution of the different economic activities to the GDP affected mainly during the years 2001, 2002. As for the Industrial activities, the share declined to 14.1% during the year 2002 while it was 15.7% in the year 2000, this decline comes mainly from the manufacturing activity. Agriculture share to the GDP declined from 9.5% in the year 2000 to 8.3% during the year 2001 then it grows to 9.2% in the year 2002.

As for the construction activity it declined continuously to reach its lowest level during the year 2002 with percentage contribution amounted to 3.8% while it reached its peak during the year 1999 (11%). The same thing for the financial activities as its share declined to 3.7% during the year 2002 while it was 4.1% during the year 2000.

On the other hand the transport activity goes up to 7.9% during the year 2002, the same case was the services activity as its contribution to GDP increases to 26.1% in the year 2002, in addition to the Public Administration and Defense Activity as its share increases to 13.4% during the year 2002.

Note to Data Users:

All the previous data in this Press Release is at constant Prices, the year 1997 is the base year.

Glossary of Terms According to the System of National Accounts (SNA) 1993

1. General terms

Statistical unit

The United Nations System of National Accounts SNA 1993 defines two main types of statistical units:

Institutional unit-Enterprise

An institutional unit is an economic entity that is capable, in its own right, of owning assets, incurring liabilities and engaging in economic activities and in transactions with other entities.

Establishment

An establishment is an enterprise, or part of an enterprise, which produces only a single group of goods (with the possibility of production from secondary activities) in which the principal productive activity accounts for most of the value added.

Breaking down institutional units into establishments serves in creating more consistent statistical units in the productive sense.

Industry

Industry is defined as a group of establishments engaged on the same, or similar, kinds of activity. This definition is in agreement with the International Standard Industrial Classification of All Economic Activities (ISIC). The highest level of aggregation is called the classification group, and the lowest level is called division. The various groups are determined in accordance with the nature of production, its use, and its structure of inputs. The tables in this report include classification standards linked with the Palestinian economy.

Sector

The System of National Accounts divides the society into five institutional sectors: The government, non-profit institutions serving households or NPISHs, financial corporations, households, and non-financial corporations. This Report does not show data on the institutional sectors' level; however, most activities can be related to one or two of the mentioned institutional sectors.

Financial corporations: This sector includes main financial corporations such as banks and insurance companies and auxiliary financial activities like bureau de change that keep complete accounting records of their activities.

Non-financial corporations: This sector includes all other institutional units, which are principally engaged in the production of market goods and services. Producers of this sector are distinguished from the family sector by keeping a complete set of accounts. A large portion of the value added in the rest of the activities is contributed by this sector.

Government: a government is a legal entity established by political processes, which have legislative, judicial or executive authority over other institutional units within a given area. The government in Palestine has two levels: Local and central. Tables show that a significant portion of the economic activity is linked to the government's sector; it is marked "government services' producers."¹

¹ Many countries produce education, health, social, and public services data under this title in accordance with the System of National Accounts.

Non-profit institutions serving households (NPISHs): They consist of non-profit institutions. Despite the fact that they produce goods and services, NPISHs do not generate profit or income for their units.

Three main groups of NPISHs may be distinguished:

The first group serves the business sector such as chambers of trade and industry, which are classified within the non-financial corporations sector. The second group constitutes part of the government sector such as state-run hospitals. And the third type, which aims at serving households, includes professional and trade unions, churches, charitable societies, and privately subsidized organizations.

Household: a household is a small group of persons who share the same living accommodation, who pool some, or all, of their income and wealth and who consume certain types of goods and services collectively, mainly housing and food. Although primarily consumer units, households can engage in any kind of economic activity. All economic activities within the production boundaries and carried out by groups that do not keep complete sets of accounts fall within the household sector. The tables include paid work within the household. The family sector takes part in a number of other activities mentioned in the tables such as agriculture and domestic trade.

Resident

Individuals and establishments are residents in a country when they have a center of economic interest in the economic territory of that country. The concept of residence used here is not based on nationality or legal criteria (although it may be similar to concepts of residence).

An individual is said to be resident within the economic territory of a country when such individual maintains a center of economic interest in that territory - that is, when this individual engages, or intends to engage, in economic activities or transactions on a significant scale either indefinitely or over a long period of time, usually interpreted as one year.

The rule excludes students, sick people, and foreign diplomats and international organizations other than country's residents where such institutions exist. Individuals in the three aforementioned groups are considered non-residents in the economy but residents in their own country regardless of the length of the period of their stay.

Establishments are always considered residents in the country where they operate. This is in line with the residency concept, which defines residency as the center of economic activity. The only exception here is concerning establishments that operate movable equipment such as fishermen who stay in the regional water of a certain country for a limited period in time. Companies that hold limited contracts are also excluded since they stay for the period of the contract with no intention to extend their stay once the project is over. These activities are considered residents in the economy of the country as long as they do not keep independent accounts of their overseas activities. Otherwise, they are considered residents in the country where they keep independent accounts of their activities and pay taxes and possess permission to operate, then their activity is considered resident in the country in question.

The Remaining West Bank

The remaining West Bank means the West Bank excluding the part of the governorate of Jerusalem, which Israel annexed by force in the aftermath of the June 1967 war.

Jerusalem

That part of the governorate of Jerusalem, which Israel annexed by force in the aftermath of the June 1967 war.

2. Production concepts

Production

Production is measured during a certain period of time by the value of the final products of goods and services produced by a certain establishment capable of being provided to other units though they can be self-consumed or for the purposes of self gross fixed capital formation. Production includes two categories: Final products and the so-called (under operating products), which means products that take long time to produce such as livestock and establishment works. The value of the majority of goods can be estimated at the moment the production process is completed. However, the production of some goods may exceed the accounting period (such as the case of under operating products). The value of such products is estimated and registered during that accounting period, such as the case of establishment works and winter crops.

Production can be classified as follows:

Market outputs: including goods and services sold at market prices such as most of the goods and services sold at warehouses and retail stores

Outputs of private account: including goods and services consumed at the same production unit such as agricultural products, which are produced and consumed at the same farm

Other non-market outputs: These are the goods and services produced by the government or non-profit institutions that are given free of charge or for minimal prices, including educational services provided by the government. Outputs are assessed when goods are produced from the production process. Assessment can be carried out in different ways based on taxes and subsidies on product and imports taken into consideration in the assessment (such as calling these taxes indirect taxes; a term used in SNA 1968 but became obsolete in SNA 1993). SNA 1993 recommends that the assessment be carried out at producers' prices and basic prices. The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output less any tax payable, and plus any subsidy receivable, on that unit as a consequence of its production. Other taxes on product "SNA 1993" consist mainly of taxes on land and building use and licensing fees. Whatever can be transferred by the government to an establishment in order to reduce pollution, regardless of the size of production, can be considered subsidies receivable by producers before starting the process of production. A producer's price is the basic price plus all taxes and subsidies on production and imports (excluding Value Added Tax VAT), which are known as "taxes and subsidies on product". Most prominently; sales tax, custom duties, and duties on imports. Subsidies can take several forms most commonly subsidies on exports and imports.

SNA 1993 briefly discusses the other two methodologies of assessment: market prices and costing factors. Market prices represent the product's price plus VAT. This methodology has been used in the assessment of the Palestinian National Accounts since it was difficult to exclude VAT. Assessment by costing factors does not include any taxes on production or imports². However, none of the four assessment methodologies includes transportation margins receivable by producers independently.

Financial services:

the output of financial services can be measured by the total cost of actual and calculated service. This is necessary because financial institutions gain earnings by the difference between interests on loans and deposits. As the calculation of the cost of the actual service is carried out directly, the calculation of the calculated service is more complicated. The

² SNA 1993 shows clearly that using assessment by costing must be avoided because of the difficulties related to this concept of assessment. See 6.230-6.232 of SNA for more information.

calculated cost, (which is called the services of financial intermediation measured indirectly) equals the total of property income payable to financial institutions less gross value of payable interests on these institutions excluding property income receivable by investment of money of the same institution.

Measuring GDP by using the output or production approach shows the calculated service in minus for an unreal activity in order to avoid duplicated calculation. Since by definition, cost of calculated service is not separated from payable interests, it is impossible to measure the cost of service from expenditure side whether concerning establishments or households. Therefore, cost of calculated service is not included as an expenditure item. Henceforth, the cost of calculated service is shown as intermediate consumption for an unreal activity. This method is used in a number of countries. Since part of the service cost is actually paid by households (whose consumption is classified as final consumption and not intermediate consumption) the assessment of gross intermediate consumption therefore becomes a little higher than the actual, henceforth, the value added becomes a little less than its actual value.

Insurance services

The output of insurance is measured by the value of the actual and calculated cost of the service provided. In the case of other than life insurance (insurance against accidents such as car insurance, fire, and maritime insurance...etc) the cost of the calculated service equals: insurance premium with respect to future claims arising from the occurrence of the events specified in the insurance policies during the reference period + the income generated from investing the technical reserves in the reference period – claims payable for the reference period. Income here refers to property income (the income generated from the financial assets such as interests, shares, and stocks and the non-financial producing assets such as land lease) in addition to earnings on owned items.

The output of life insurance is measured in the same way as it consists of the three aforementioned components in addition to the value of reduction of technical reserves, which are built by the insurance enterprises to pay the claims of an insurance policy included in the insurance program.

Intermediate consumption

Intermediate consumption consists of the value of the goods and services consumed as inputs by a process of production. It is measured during a specific period in time in a way similar to measuring production. Intermediate consumption is estimated by purchase price, which is defined as the producers' price plus transportation and wholesale and retail trade margins. The value of the gross intermediate consumption on the level of the total economy is the same whether calculated by purchase or producers' price. However, on the detailed level, the two evaluations vary.

Value added

Value added is a central concept of production and refers to the generated value of any unit that carries out any productive activity. Gross value added is defined as the value of gross production less the value of intermediate consumption. The net value added is defined as the gross value less the value of fixed capital consumption. The net value added reflects the performance of the economy in a better way; however, since it is difficult to measure the fixed capital consumption accurately, the concept of gross value added is more used.

Value added at producers' price is the difference between output at basic prices and the value of the intermediate consumption at purchase price plus taxes (less subsidies) on production. However, if taxes and subsidies are excluded, value added will be obtained in basic prices.

Gross Domestic Product or GDP

Gross Domestic Product or GDP is the summary measure of the output or production during a certain period in time. Estimate of GDP, like the output and the value added, can vary according to taxes and subsidies taken into consideration. GDP is usually estimated at market prices, producers' prices, or basic prices.

There are three approaches to estimate the GDP: Output or Production approach, Expenditure approach, and Income approach. Output or Production approach measures the GDP as the sum of value added of all economic activities.

Since supply is one of the components of the value added of all goods and services, it must equal the sum of money spent on same goods and services. Therefore, the following must apply:

Gross Domestic Product at market prices = final consumption + gross fixed capital formation + change in the inventory + exports (goods and services) – imports (goods and services).

Also, since income is totally linked to the production process, the gross value added is used as an income on the capital (operating surplus) and employment (compensation of employees) plus paid taxes linked to the production processes less subsidies. Henceforth, the following applies:

GDP at market prices = the compensation of employees (paid by resident producers to resident and non-resident employees) + net operating surplus (paid by institutional units that carry out production activities; residents by definition) + fixed capital consumption + taxes (less subsidies) on production and imports.

However, the current Palestinian National Accounts was unable to provide independent estimates on the fixed capital consumption, which required projecting the operating surplus in its gross value i.e. including fixed capital consumption.

3. Final consumption groups

Final consumption

Households, government, and non-profit institutions carry out the final consumption registered in the National Accounts. Therefore, the establishments' consumption is not considered final consumption since products used in the production process are considered intermediate consumption.

Households' final consumption is registered in purchase' price. It consists of expenditure on all goods and services excluding expenditure on building and construction, which are considered gross fixed capital formation for the property owners. Renting accommodation is classified as final consumption spent by households.

Government and non-profit institutions consumption is dealt with in the SNA 1993 similarly to the way it was dealt with in SNA 1968; it is measured by output value less sales revenues.

Expenditure of the two sectors can be divided into two types: individual and collective. The first includes spending that benefits individuals on medical services, for instance. Collective expenditure has a public nature such as the government's spending on defense and security.

Gross capital formation

Gross capital formation can be divided into three components: gross fixed capital formation, change in inventory, and net acquisitions of valuables. Henceforth, gross capital formation (or investment) can be defined as the total value of the three aforementioned components. It is measured at purchase price, as is the case with measuring consumption.

Gross capital formation is the value of what producers own less what they spend on new and used capital goods (including households' expenditure on accommodation where households are in this sense producers of accommodation services). In addition to capital improvements

on lands and subsoil assets and the cost of property transaction of such assets.³ Capital goods can be tangible like houses, equipment, machinery...etc. or intangible like copyrights, trademarks, computer programs...etc.

Change in the inventory can be measured by the value of the goods entering the inventory less the value of the goods leaving the inventory. Goods must be valued at current prices i.e. their prices at the time they enter or leave the inventory in order to avoid calculating unreal earnings of ownership. Change in the inventory also includes “under operating products”.

Valuables are assets that do not become worn out as time goes by. They are not originally used as basis for production or consumption but kept as a valuable inventory. This includes gold, diamonds, jewelry, paintings...etc. This has not been taken into consideration in the capital formation in the current accounts.

Exports and imports of goods and services

They include trading goods and services among residents and non-residents and selling, barter, and gifts.

4. Income components

Compensation of employees

Compensation of employees is the total remuneration, in cash or in kind, including social security contributions, payable by an enterprise to an employee in return for work done by the latter.

Tax on a product

Taxes are compulsory cash or in kind payments payable by producers to the general government. Taxes on a product consist of taxes on products payable on goods and services at production, sale, or exchange and other taxes payable on production by resident producers as a result of carrying out the production process.

Taxes and duties on imports, excluding VAT

Taxes and duties on imports consist of taxes on goods and services that become payable at the moment when the goods cross the national or customs frontiers of the economic territory.

Other imports taxes (excluding VAT) include sales tax, Excise (imposed on certain goods like tobacco and fuel) and other taxes that can be imposed on services...etc.

Subsidies on product

Subsidies are current unrequited payments that government units make to local producers or importers. They consist of subsidies on products made to each unit of produced goods or services and other subsidies on product made by the government to resident producers as a result of carrying out the production process.

Gross Operating surplus

The operating surplus totals the value of the gross value added at basic prices less the total of compensation of employees (including compensations payable to non-residents) less taxes

³ The definition can be simplified; gross fixed capital formation includes capital improvements of all non-produced assets and the costs of property transaction of all non-produced assets. It also includes tangible non-produced assets, land and subsoil assets, water sources, and non-organic cultivated sources. Non-produced assets include copyrights, rental contracts, and purchasable name of fame. In any case, such deals have not been estimated since they are of a neglected value in Palestine.

(minus subsidies on product). Gross operating surplus can be analyzed to net operating surplus and the fixed capital consumption.⁴

However, this distinction was not possible in the Palestinian National Accounts since data were unavailable.

Property income

Property income is the income receivable by the owner of a financial asset or a tangible non-produced asset (such as land) in return for providing funds to, or putting the tangible non-produced asset at the disposal of another institutional unit.

Gross National Income⁵

GNI (gross national income) measures the gross value of the initial earned income of residents. It is the income incurred by carrying out production activities or by owning financial assets or land or subsoil assets. GNI can be measured by adding the following components:

- Compensations of employees payable to residents
- Operating surplus of production units (residents by definition)
- Taxes on production and imports less governmental subsidies
- Income generated by financial assets, lands, subsoil assets earned by residents

Less

- Income generated by financial assets, lands, subsoil assets paid by residents

GNI can be estimated in a different way by adding the initial income earned by residents less initial income earned by non-residents from the GNI.

Gross disposable income

Gross disposable income measures available income of residents, which can be spent on consumption of goods and services (locally produced or imported goods and services) or for savings. Gross disposable income can be measured by adding the following components:

GNI, current payable current taxes on income and wealth and others payable to residents, residents social security contributions and revenues, net insurance premiums and claims other than life insurance payable to residents, local different transactions, current transactions of non-residents (which can take any of the aforementioned forms)

Less

The same articles above on payments side.

Gross disposable income can also be measured in a simplified way by adding the net transactions from

⁴ A line must be drawn between the consumption of fixed capital and the book consumption of the fixed capital used in commercial accounting basically for tax purposes. Consumption of fixed capital measures the reduction of fixed assets as a result of use and depreciation. It is a variable related to future view.

⁵ Formerly known as Gross National Product GNP in SNA 1968 but the term became absolute in SNA 1993

2002 2001
National Accounts Tables At Current Prices 2001,
2002

2002-2001

*2002 2001

:1-1

TABLE 1-1: Percentage Contribution of Economic Activity to GDP by Region 2001, 2002*

Economic activity	%		%		
	Remaining West Bank and Gaza Strip%		Palestinian Territory%		
	2002	2001	2002	2001	
Agriculture and fishing	9.8	8.9	9.2	8.3	
Mining, manufacturing, electr. and water	13.9	14.7	14.1	14.7	
Mining and quarrying	0.5	0.6	0.5	0.5	
Manufacturing	11.7	12.3	11.3	11.8	
Electricity and water supply	1.6	1.8	2.3	2.4	
Construction	3.4	4.0	3.8	4.4	
Wholesale and retail trade	10.5	9.1	10.6	9.4	
Transport, storage, and communications	7.2	6.7	7.9	7.5	
Financial intermediation	3.9	4.1	3.7	3.8	
Other services	24.6	23.4	26.1	25.0	oooooooooooo
Real estate, renting and business services	13.0	11.6	13.4	12.1	
Community, social and personal services	0.6	0.6	0.8	0.8	
Hotels and restaurants	0.4	0.5	1.0	1.2	
Education	7.3	7.2	7.4	7.3	
Health and social work	3.3	3.4	3.5	3.6	
Public administration and defense	14.6	15.0	13.4	13.9	
Households with employed persons	0.2	0.2	0.2	0.2	
Public owned enterprises	3.5	4.7	3.2	4.3	
Less: FISIM	-2.9	-3.3	-2.6	-3.0	:
Plus: Customs duties	5.5	6.0	5.1	5.5	:
Plus: VAT on imports, net	5.8	6.5	5.3	6.0	:
Total	100.0	100.0	100.0	100.0	

* Percentages were calculated using the current prices

*

2002 2001

: -2-1

TABLE 1-2-A: Output in Palestinian Territory by Economic Activity 2001, 2002 at Current Prices

Value in US\$ million		
Economic activity	Output	
	2002	2001
Agriculture and fishing	685.7	680.0
Mining, manufacturing, electr. and water	1,404.0	1,628.6
Mining and quarrying	31.8	36.3
Manufacturing	1,107.4	1,293.7
Electricity and water supply	264.8	298.6
Construction	444.2	567.8
Wholesale and retail trade	567.8	579.0
Transport, storage, and communications	383.0	390.7
Financial intermediation	182.7	193.2
Other services	1,148.3	1,229.4
Real estate, renting and business services	523.1	531.6
Community, social and personal services	50.4	50.9
Hotels and restaurants	74.3	92.7
Education	305.4	333.9
Health and social work	195.1	220.3
Public administration and defense	1,061.9	1,192.9
Households with employed persons	6.3	6.6
Public owned enterprises	198.8	272.7
Less: FISIM	0.0	0.0
Plus: Customs duties	192.9	229.3
Plus: VAT on imports, net	201.0	247.7
Gross Output	6,476.6	7,217.9

2002 2001

:٢-2-1

TABLE 1-2-B: Output in Remaining West Bank and Gaza Strip by Economic Activity 2001, 2002 at Current Prices

Value in US\$ million		
Economic activity	Output	
	2002	2001
Agriculture and fishing	672.5	665.8
Mining, manufacturing, electr. and water	1,273.5	1,487.6
Mining and quarrying	31.8	36.3
Manufacturing	1,077.1	1,260.9
Electricity and water supply	164.6	190.4
Construction	406.1	526.6
Wholesale and retail trade	517.5	524.6
Transport, storage, and communications	318.1	320.3
Financial intermediation	180.3	190.7
Other services	984.9	1,052.6
Real estate, renting and business services	466.9	470.8
Community, social and personal services	38.2	37.7
Hotels and restaurants	32.1	47.0
Education	280.6	307.1
Health and social work	167.1	190.0
Public administration and defense	1,017.2	1,144.5
Households with employed persons	6.1	6.4
Public owned enterprises	198.8	272.7
Less: FISIM	0.0	0.0
Plus: Customs duties	192.9	229.3
Plus: VAT on imports, net	201.0	247.7
Gross Output	5,968.9	6,668.8

TABLE 1-3-A: Intermediate Consumption in Palestinian Territory by Economic Activity 2001, 2002 at Current Prices

Value in US\$ million

Economic activity	Intermediate Consumption		
	2002	2001	
Agriculture and fishing	336.2	334.7	
Mining, manufacturing, electr. and water	870.7	1,016.1	
Mining and quarrying	13.5	14.7	
Manufacturing	679.2	804.6	
Electricity and water supply	178.0	196.8	
Construction	301.7	387.6	
Wholesale and retail trade	166.2	190.1	
Transport, storage, and communications	82.7	82.8	
Financial intermediation	44.3	36.3	
Other services	161.8	197.9	○○○○○○○○○○
Real estate, renting and business services	16.4	30.4	
Community, social and personal services	20.5	19.8	
Hotels and restaurants	34.7	44.5	
Education	27.6	32.9	
Health and social work	62.6	70.3	
Public administration and defense	554.4	618.5	
Households with employed persons	0.0	0.0	
Public owned enterprises	76.8	92.8	
Less: FISIM	102.1	124.7	:
Plus: Customs duties	0.0	0.0	:
Plus: VAT on imports, net	0.0	0.0	:
Gross intermediate Consumption	2,696.9	3,081.5	

2002 2001

: -3-1

TABLE 1-3-B: Intermediate Consumption in Remaining West Bank and Gaza Strip by Economic Activity 2001, 2002 at Current Prices

Value in US\$ million

Economic activity	Intermediate Consumption		
	2002	2001	
Agriculture and fishing	329.5	327.5	
Mining, manufacturing, electr. and water	789.3	928.1	
Mining and quarrying	13.5	14.6	
Manufacturing	668.4	793.0	
Electricity and water supply	107.4	120.5	
Construction	287.6	372.4	
Wholesale and retail trade	152.9	175.7	
Transport, storage, and communications	66.2	65.0	
Financial intermediation	43.4	35.3	
Other services	127.0	160.2	oooooooooooo
Real estate, renting and business services	13.9	27.8	
Community, social and personal services	16.1	15.0	
Hotels and restaurants	19.1	27.6	
Education	25.9	31.0	
Health and social work	52.0	58.8	
Public administration and defense	510.3	570.7	
Households with employed persons	0.0	0.0	
Public owned enterprises	76.8	92.8	
Less: FISIM	102.1	124.7	:
Plus: Customs duties	0.0	0.0	:
Plus: VAT on imports, net	0.0	0.0	:
Gross intermediate Consumption	2,485.1	2,852.4	

TABLE 1-4-A: Gross Value Added in Palestinian Territory by Economic Activity 2001, 2002 at Current Prices

Value in US\$ million		
Economic activity	Gross Value Added	
	2002	2001
Agriculture and fishing	349.5	345.3
Mining, manufacturing, electr. and water	533.3	612.6
Mining and quarrying	18.4	21.6
Manufacturing	428.1	489.1
Electricity and water supply	86.8	101.9
Construction	142.5	180.3
Wholesale and retail trade	401.6	388.8
Transport, storage, and communications	300.3	307.8
Financial intermediation	138.4	156.9
Other services	986.5	1,031.4
Real estate, renting and business services	506.8	501.2
Community, social and personal services	29.8	31.1
Hotels and restaurants	39.6	48.2
Education	277.8	301.0
Health and social work	132.5	149.9
Public administration and defense	507.5	574.4
Households with employed persons	6.3	6.6
Public owned enterprises	122.0	179.9
Less: FISIM	-102.1	-124.6
Plus: Customs duties	192.9	229.3
Plus: VAT on imports, net	201.0	247.7
Gross Domestic Product	3,779.7	4,136.4

2002 2001

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TABLE 1-4-B: Gross Value Added in Remaining West Bank and Gaza Strip by Economic Activity 2001, 2002 at Current Prices

Value in US\$ million

Economic activity	Gross Value Added		
	2002	2001	
Agriculture and fishing	343.0	338.3	
Mining, manufacturing, electr. and water	484.2	559.5	
Mining and quarrying	18.4	21.7	
Manufacturing	408.5	467.9	
Electricity and water supply	57.3	69.9	
Construction	118.5	154.2	
Wholesale and retail trade	364.6	348.9	
Transport, storage, and communications	251.9	255.3	
Financial intermediation	136.9	155.4	
Other services	858.0	892.4	○○○○○○○○○○
Real estate, renting and business services	453.0	443.0	
Community, social and personal services	22.1	22.7	
Hotels and restaurants	13.0	19.4	
Education	254.7	276.1	
Health and social work	115.1	131.2	
Public administration and defense	506.9	573.8	
Households with employed persons	6.1	6.4	
Public owned enterprises	122.0	179.9	
Less: FISIM	-102.1	-124.7	:
Plus: Customs duties	192.9	229.3	:
Plus: VAT on imports, net	201.0	247.7	:
Gross Domestic Product	3,483.9	3,816.4	

2002 2001

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TABLE 1-5: GDP by Expenditure in Palestinian Territory, Remaining West Bank and Gaza Strip 2001, 2002 at Current Prices

Value in US\$ million

Final use	Remaining West Bank and Gaza Strip		Palestinian Territory		
	2002	2001	2002	2001	
Final consumption	4,578.8	4,861.3	5,073.1	5,396.0	
Household final consumption	3,259.7	3,486.3	3,675.0	3,935.6	
Government final consumption	1,210.4	1,250.8	1,266.8	1,311.7	
NPISH final consumption	108.7	124.2	131.3	148.7	
Gross capital formation	642.6	969.6	694.7	1,025.9	
Gross fixed capital formation	622.0	948.4	670.1	1,000.5	
- Buildings	312.0	523.8	358.5	574.1	-
- Non-buildings	310.0	424.6	311.6	426.4	-
Changes in inventories	20.6	21.2	24.6	25.4	
Acquisitions of valuables, net	0.0	0.0	0.0	0.0	
Net exports of goods and services	-1,737.6	-2,014.4	-1,981.1	-2,277.9	
Exports	381.5	463.4	572.3	669.7	
- Goods	368.5	436.2	431.3	504.0	-
- Services	13.0	27.2	141.0	165.7	-
Imports	2,119.1	2,477.8	2,553.3	2,947.6	
- Goods	1,617.1	2,059.2	2,023.1	2,498.5	-
- Services	502.0	418.6	530.2	449.1	-
Net errors and omissions	0.0	0.0	-7.1	-7.7	
Gross Domestic Product	3,483.9	3,816.4	3,779.7	4,136.4	

2002 2001

:6-1

TABLE 1-6: Major National Accounts Variables by Region 2001, 2002 at Current Prices

Value in US\$ million

Indicator	Remaining West Bank and Gaza Strip		Palestinian Territory	
	2002	2001	2002	2001
Gross Domestic Product (GDP)	3,483.9	3816.4	3,779.7	4136.4
Income vis-à-vis non-residents, net	223.6	326.4	381.0	485.8
Compensation of employees, net	139.5	199.6	299.6	361.7
Property income, net	84.1	126.9	81.4	124.1
Gross National Income (GNI)	3,707.4	4142.9	4,160.7	4622.2
Current transfers vis-à-vis non-residents, net	1,064.9	938.0	1,109.0	971.3
Gross Disposable Income (GNDI)	4,772.3	5080.9	5,269.7	5593.5
Final consumption	4,578.9	4,861.3	5,073.2	5,396.0
Savings	193.4	219.6	196.5	197.5

2002 2001

جدول 7-1:

TABLE 1-7: GDP, GNI, and GNDI Per Capita by Region 2001, 2002 at Current Prices

Value in US\$

Indicator	GNDI per Capita		GNI per Capita		GDP per Capita		
	2002	2001	2002	2001	2002	2001	
Palestinian Territory	1521.0	1695.6	1200.9	1401.1	1,091.0	1,253.9	
Remaining West Bank and Gaza Strip	1,480.9	1,658.3	1,150.5	1,352.1	1,081.1	1,245.6	
Remaining West Bank	1,623.9	1,847.5	1,293.5	1,541.4	1,209.6	1,399.1	
Gaza Strip	1,258.8	1,363.0	928.3	1,056.9	881.5	1,006.0	

2002 2001
National Accounts Tables At Constant Prices 2001,
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2002-2001

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TABLE 2-1-A: Output in Palestinian Territory by Economic Activity 2001, 2002 at Constant Prices: 1997 is the base year

Value in US\$ million

Economic activity	Ö Output		
	2002	2001	
Agriculture and fishing	786.1	710.2	
Mining, manufacturing, electr. and water	1,663.5	1,739.4	
Mining and quarrying	47.0	43.2	
Manufacturing	1,330.3	1,378.5	
Electricity and water supply	286.2	317.7	
Construction	481.2	651.5	
Wholesale and retail trade	640.2	605.2	
Transport, storage, and communications	534.2	465.5	
Financial intermediation	196.1	181.9	
Other services	1,185.5	1,226.1	0000000000
Real estate, renting and business services	496.4	518.2	
Community, social and personal services	65.6	59.5	
Hotels and restaurants	71.1	91.0	
Education	340.0	347.1	
Health and social work	212.5	210.3	
Public administration and defense	1,093.8	1,213.3	
Households with employed persons	8.5	7.9	
Public owned enterprises	262.6	271.0	
Less: FISIM	0.0	0.0	:
Plus: Customs duties	184.2	219.9	:
Plus: VAT on imports, net	217.2	266.7	:
Gross Output	7,253.3	7,558.6	

1997 : 2002 ،2001

جدول 2-1-ب:

**TABLE 2-1-B: Output in Remaining West Bank and Gaza Strip by Economic Activity 2001, 2002 at Constant prices:
1997 is the base year**

Value in US\$ million

Economic activity	Output		
	2002	2001	
Agriculture and fishing	771.1	695.4	
Mining, manufacturing, electr. and water	1,518.7	1,589.1	
Mining and quarrying	47.0	43.2	
Manufacturing	1,293.7	1,343.4	
Electricity and water supply	178.0	202.5	
Construction	439.9	604.1	
Wholesale and retail trade	583.6	548.3	
Transport, storage, and communications	443.6	381.8	
Financial intermediation	193.6	179.5	
Other services	1,017.8	1,049.8	○○○○○○○○○○
Real estate, renting and business services	443.0	458.9	
Community, social and personal services	49.7	44.1	
Hotels and restaurants	30.7	46.2	
Education	312.3	319.2	
Health and social work	182.0	181.4	
Public administration and defense	1,047.7	1,164.1	
Households with employed persons	8.4	7.8	
Public owned enterprises	262.6	271.0	
Less: FISIM	0.0	0.0	:
Plus: Customs duties	184.2	219.9	:
Plus: VAT on imports, net	217.2	266.7	:
Gross Output	6,688.4	6,977.5	

1997

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2002 2001

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**TABLE 2-2-A: Intermediate Consumption in Palestinian Territory by Economic Activity 2001, 2002 at Constant Prices:
1997 is the base year**

Value in US\$ million

Economic activity	Intermediate Consumption		
	2002	2001	
Agriculture and fishing	399.0	358.0	
Mining, manufacturing, electr. and water	1,027.4	1,093.9	
Mining and quarrying	14.3	14.6	
Manufacturing	810.4	854.5	
Electricity and water supply	202.7	224.7	
Construction	369.5	429.3	
Wholesale and retail trade	179.7	196.0	
Transport, storage, and communications	79.5	77.7	
Financial intermediation	49.6	38.8	
Other services	180.3	207.1	0000000000
Real estate, renting and business services	17.8	32.1	
Community, social and personal services	22.2	20.9	
Hotels and restaurants	40.4	46.0	
Education	28.7	33.9	
Health and social work	71.2	74.2	
Public administration and defense	569.8	618.7	
Households with employed persons	0.0	0.0	
Public owned enterprises	119.6	96.0	
Less: FISIM	109.6	117.4	:
Plus: Customs duties	0.0	0.0	:
Plus: VAT on imports, net	0.0	0.0	:
Gross Intermediate Consumption	3,084.0	3,232.9	

1997

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2002 2001

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**ABLE 2-2-B: Intermediate Consumption in Remaining West Bank and Gaza Strip by Economic Activity 2001,2002 at Constant Prices:
1997 is the base year**

Value in US\$ million

Economic activity	Intermediate Consumption		
	2002	2001	
Agriculture and fishing	391.1	350.3	
Mining, manufacturing, electr. and water	934.1	994.1	
Mining and quarrying	14.3	14.6	
Manufacturing	797.5	842.0	
Electricity and water supply	122.3	137.5	
Construction	352.3	412.5	
Wholesale and retail trade	165.3	181.2	
Transport, storage, and communications	63.7	61.1	
Financial intermediation	48.6	37.8	
Other services	140.7	167.6	0000000000
Real estate, renting and business services	15.1	29.3	
Community, social and personal services	17.4	15.8	
Hotels and restaurants	22.2	28.5	
Education	26.9	32.0	
Health and social work	59.1	62.1	
Public administration and defense	524.5	571.0	
Households with employed persons	0.0	0.0	
Public owned enterprises	119.6	96.0	
Less: FISIM	109.6	117.4	:
Plus: Customs duties	0.0	0.0	:
Plus: VAT on imports, net	0.0	0.0	:
Gross Intermediate Consumption	2,849.5	2,989.0	

1997 : 2002 2001

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**TABLE 2-3-A: Gross Value Added in Palestinian Territory by Economic Activity 2001, 2002 at Constant Prices:
1997 is the base year**

Economic activity	Gross Value Added		
	2002	2001	
Agriculture and fishing	387.2	352.2	
Mining, manufacturing, electr. and water	636.1	645.6	
Mining and quarrying	32.7	28.5	
Manufacturing	519.9	524.0	
Electricity and water supply	83.5	93.0	
Construction	111.7	222.1	
Wholesale and retail trade	460.6	409.2	
Transport, storage, and communications	454.7	387.8	
Financial intermediation	146.5	143.0	
Other services	1,005.3	1,019.0	0000000000
Real estate, renting and business services	478.6	486.1	
Community, social and personal services	43.4	38.6	
Hotels and restaurants	30.7	45.1	
Education	311.3	313.2	
Health and social work	141.4	136.1	
Public administration and defense	523.9	594.6	
Households with employed persons	8.6	8.0	
Public owned enterprises	142.9	175.0	
Less: FISIM	-109.6	-117.4	:
Plus: Customs duties	184.2	219.9	:
Plus: VAT on imports, net	217.2	266.7	:
Gross Domestic Product	4,169.3	4,325.7	

1997 : 2002 2001

: -3-2

TABLE 2-3-B: Gross Value Added in Remaining West Bank and Gaza Strip by Economic Activity 2001-2002 at Constant prices: 1997 is the base year

Value in US\$ million

Economic activity	Gross Value Added		
	2002	2001	
Agriculture and fishing	380.0	345.1	
Mining, manufacturing, electr. and water	584.7	595.0	
Mining and quarrying	32.7	28.5	
Manufacturing	496.3	501.4	
Electricity and water supply	55.7	65.0	
Construction	87.6	191.7	
Wholesale and retail trade	418.2	367.1	
Transport, storage, and communications	379.9	320.7	
Financial intermediation	145.0	141.7	
Other services	877.2	882.1	0000000000
Real estate, renting and business services	427.9	429.6	
Community, social and personal services	32.3	28.3	
Hotels and restaurants	8.5	17.7	
Education	285.5	287.2	
Health and social work	123.0	119.3	
Public administration and defense	523.2	593.1	
Households with employed persons	8.4	7.8	
Public owned enterprises	142.9	175.0	
Less: FISIM	-109.6	-117.4	:
Plus: Customs duties	184.2	219.9	:
Plus: VAT on imports, net	217.2	266.7	:
Gross Domestic Product	3,838.9	3,988.5	

1997

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2002 2001

:4 -2

**TABLE 2-4: GDP by Expenditure in Palestinian Territory, Remaining West Bank and Gaza Strip 2001, 2002 at Constant Prices:
1997 is the base year**

Value in US\$ million

Final use	Remaining West Bank and Gaza Strip		Palestinian Territory		
	2002	2001	2002	2001	
Final consumption	4,960.5	5,129.7	5,507.7	5,697.9	
Household final consumption	3,672.4	3,740.2	4,140.4	4,222.3	
Government final consumption	1,168.6	1,264.6	1,222.9	1,326.1	
NPISH final consumption	119.5	124.9	144.4	149.5	
Gross capital formation	677.9	1,122.0	727.2	1,186.2	
Gross fixed capital formation	654.1	1,100.4	698.6	1,160.2	
- Buildings	286.7	600.9	329.4	658.6	-
- Non-buildings	367.4	499.4	369.3	501.6	-
Changes in inventories	24.0	21.6	28.6	26.0	
Acquisitions of valuables, net	0.0	0.0	0.0	0.0	
Net exports of goods and services	-1,799.6	-2,263.2	-2,050.1	-2,543.3	
Exports	458.3	498.0	565.0	605.2	
- Goods	444.0	467.3	519.6	540.1	-
- Services	14.3	30.7	45.4	65.1	-
Imports	2,257.9	2,761.2	2,615.1	3,155.5	
- Goods	1,707.6	2,281.1	2,041.6	2,649.8	-
- Services	550.3	480.1	573.5	505.7	-
Net errors and omissions	0.0	0.1	-15.6	-8.1	
Gross Domestic Product	3,838.9	3,988.5	4,169.3	4,325.7	

1997

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2002 2001

:5-2

TABLE 2-5: Major National Accounts Variables by Region 2001, 2002 at Constant Prices: 1997 is the base year

Value in US\$ million

Indicator	Remaining West Bank & Gaza Strip		Palestinian territory	
	2002	2001	2002	2001
Gross Domestic Product (GDP)	3838.9	3988.5	4169.3	4325.7
Income vis-à-vis non-residents, net	246.7	335.0	401.4	491.7
Compensation of employees, net	177.4	230.5	334.3	389.4
Property income, net	69.3	104.5	67.1	102.3
Gross National Income (GNI)	4085.6	4323.5	4570.7	4817.4
Current Transfers vis-à-vis non-residents, net	1121.9	988.3	1168.3	1023.3
Gross Disposable Income (GNDI)	5207.5	5311.8	5739.0	5840.7
Final consumption	4960.5	5129.7	5507.6	5691.0
Savings	247.0	182.1	231.3	149.7

1997

: 2002 2001

جدول 2-6 :

TABLE 2-6: GDP, GNI, and GNDI Per Capita by Region 2001, 2002 at Constant Prices: 1997 is the base year

Value in US\$

Indicator	GNDI per Capita		GNI per Capita		GDP per Capita		
	2002	2001	2002	2001	2002	2001	
Palestinian Territory	1656.5	1770.5	1,319.3	1,460.3	1,203.4	1,311.2	
Remaining West Bank and Gaza Strip	1616.0	1733.7	1,267.8	1,411.1	1,191.3	1,301.8	
Remaining West Bank	1778.8	1931.1	1,430.7	1,608.5	1,350.3	1,471.4	
Gaza Strip	1363.0	1425.6	1,014.9	1,103.1	944.2	1,037.1	

1997 : -2003

**Gross Domestic Product in Remaining West Bank and Gaza Strip by Economic Activity 2003 at Constant Prices:
1997 is the base year**

Value In US\$ million

Economic activity	2003	
Agriculture and fishing	336	
Mining, manufacturing, electr. and water	579	
Mining and quarrying	28	
Manufacturing	488	
Electricity and water supply	63	
Construction	186	
Wholesale and retail trade	357	
Transport	312	
Financial intermediation	138	
Other services	858	oooooooooooo
Real estate, renting and business services	418	
Community, social and personal services	28	
Hotels and restaurants	17	
Education	279	
Health and social work	116	
Public administration and defense	577	
Households with employed persons	8	
Public owned enterprises	170	
Less: FISIM	-114	:
Plus: Customs duties	214	:
Plus: VAT on imports, net	259	:
Gross Domestic Product	3,881	

1997 : -2004
at Constant Prices:2004Gross Domestic Product in Remaining West Bank and Gaza Strip by Economic Activity
1997 is the base year

Value In US\$ million

Economic activity	2004	
Agriculture and fishing	340	
Mining, manufacturing, electr. and water	586	
Mining and quarrying	28	
Manufacturing	494	
Electricity and water supply	64	
Construction	189	
Wholesale and retail trade	362	
Transport	316	
Financial intermediation	140	
Other services	869	○○○○○○○○○○○○
Real estate, renting and business services	423	
Community, social and personal services	28	
Hotels and restaurants	17	
Education	283	
Health and social work	117	
Public administration and defense	584	
Households with employed persons	8	
Public owned enterprises	172	
Less: FISIM	-116	:
Plus: Customs duties	217	:
Plus: VAT on imports, net	263	:
Gross Domestic Product	3,928	