

Indicator (definition)	Real gross domestic product (GDP) growth rate: Growth rate of GDP, chain-linked volumes (reference year 2000) - percentage changes on previous year.
Eurostat Unit	National Accounts Production
Other Commission DGs	Economic and Financial Affairs
European Statistical System Working Group (WG)	National Accounts
Date	December 2010

1. Overall assessment of accuracy and comparability (Description of quality grades under the following link: http://circa.europa.eu/Public/irc/dsis/structind/library?l=/general_information/quality_profiles/annex_enpdf/EN_1.0.&a=d)

A
 B
 C
 Indicator to be Developed

Data is collected from reliable sources applying high standards with regard to the methodology and ensuring a high degree of comparability.

2. Objective and relevance of the indicator:

Gross domestic product (GDP) is a measure of the results of economic activity. It is the value of all goods and services produced less the value of any goods or services used in producing them. The calculation of the annual growth rate of GDP volume allows comparisons of the dynamics of economic development both over time and between economies of different sizes, irrespective of price levels. Volume growth of GDP is measured at previous year's prices, i.e. both years used in the calculation of growth are expressed at the same prices. Therefore only volume movements are captured, and price movements will not inflate the growth rate. In 2009 the Commission launched a Communication "GDP and beyond: measuring progress in a changing world" (COM 2009 443 of 20 August 2009) where it analyses the importance of GDP indicators and also its restrictions "GDP does not measure environmental sustainability or social inclusion and these limitations need to be taken into account when using it in policy analysis and debates".

Restriction of the indicator's relevance and other characteristics which may lead to restrictions in using it in monitoring and reporting

3. Data availability:

(t_1 : earliest reference year available; t_2 : latest reference year available in December 2010)

	Member States	Candidate and Acceding Countries	US and Japan	EEA-EFTA
t_1	1990: BE, DK, ES, FR, IT, NL, AT, FI, SE, UK 1991: LV, SI 1992: DE 1993: SK 1994: EE 1996: BG, CZ, IE, EL, CY, LT, LU, HU, PL, PT, RO 2001: MT	1990: IS, TR 1996: HR 1998: MK	2000	1990: NO, CH
t_2	2012 : forecasts for all Member States	2012: forecasts for IS, HR, MK, TR	2012: forecasts for JP and US	2012: forecasts for NO, CH,

Comments: Forecasts for the years 2010 - 2012. EL provisional data between 2004 and 2009.

4. Overall accuracy

High



The overall accuracy can be considered as very good. GDP data are regularly transmitted in the framework of the transmission programme associated to Annex B of ESA 95 (European System of Accounts), this transmission programme has been updated by Regulation

(EC) N° 1392/2007 of the European Parliament and of the Council. Countries compile GDP according to standard international rules (ESA 95/SNA 93 – with some exceptions). At the European level, accuracy of GDP is regularly monitored in the framework of the GNI (Gross National Income) Committee and technical aspects are regularly analysed in several working groups and technical committees.

Figures are subject to revision due to the normal revision process associated to national accounts.

The process to obtain real GDP is based on the rules specified in the Commission Decision 98/715 and the Handbook of prices and volumes in National Accounts.

Restricted
(sources, errors,
methodology, etc.)

5. Comparability across countries

High Comparability across countries is ensured by the application of the legal framework represented by the European System of Accounts (ESA 95) and the System of National Accounts (SNA 93).
Comparability of nominal GDP for EU countries is regularly monitored in the context of the work of the Gross National Income (GNI) Committee. In addition, international harmonisation of techniques and, to some extent, compilation tools is ensured by the work of the national accounts working groups (Eurostat, OECD, UN).
Comparability across countries of the population figures is ensured by application of the same concept (ESA 95) across countries

Restricted

6. Comparability over time

High ESA 95 requires coherent long time series for GDP which are produced by most of the EU Member States.
Backward calculations of time series are usually provided to ensure full time coherence in a case of methodological changes.

Restricted

7. Development perspective for improving the quality of this indicator (including as far as possible an indication of the burden on Member States and respondents.)

Full implementation, ex post evaluation and users consultation foreseen for 2010 of international national accounts rules for all countries.

An active revision policy coordinated among countries is underway.

8. Contribution to the coherence of the set/potential to qualify for an integrated policy analysis

The indicator can be complemented by several indicators derived from national accounts and which are closely correlated: GDP growth, investments, consumption, disposable income, etc.

Moreover, links can be established with other indicators derived from consistent accounting frameworks including social and environment indicators.

Relevant European legislation:

Council Regulation (EC) No 2223/96 of 25 June 1996 on the European system of national and regional accounts in the Community (ESA 95).

Population data is provided under gentlemen's agreements.

Council Regulation 448/98 on financial intermediation services measured indirectly (FISIM)

Commission Regulation 1500/2000 on general government expenditure and revenue

Commission Regulation 995/2001 on taxes and social contributions

EP/Council Regulation 2558/2001 on settlements under swaps arrangements and under forward rate agreements

Commission Regulation 113/2002 on revised classifications of expenditure according to purpose.

REGULATION (EC) No 1445/2007 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2007 establishing common rules for the provision of basic information on Purchasing Power Parities and for their calculation and dissemination

GDP and beyond Measuring progress in a changing world (2009) COM(2009) 433 final