

28 May 2021 | 1100 hrs | 097/2021

Provisional estimates indicate that the Gross Domestic Product (GDP) for the first quarter of 2021 amounted to €3,251.8 million, registering a decrease of €17.8 million, or 0.5 per cent, when compared to the same quarter of 2020. In volume terms, GDP fell by 1.8 per cent.

## Gross Domestic Product: Q1/2021

Cut-off date:  
27 May 2021

### The production approach

During the first quarter of 2021, Gross Value Added (GVA) fell by 0.5 per cent in nominal terms and 1.5 per cent in volume terms, when compared to same quarter of 2020 (Tables 1a and 1b).

The main drivers of this negative growth rate in volume terms were Service activities (NACE sections G to U) and Industry (NACE sections B to E), with a contribution of -1.4 percentage points and -0.2 percentage points, respectively. Agriculture and fishing (NACE section A) and Construction (NACE section F) had a neutral impact on GDP growth. Service activities, Industry, and Construction declined by 1.6 per cent, 2.1 per cent and 0.4 per cent, respectively, in volume terms. Agriculture and fishing increased by 4.0 per cent.

The drop in Services was mainly driven by the following sectors: Transportation and storage activities (-40.5 per cent); Accommodation and food service activities (-66.4 per cent); Administrative and support services activities (-15.0 per cent); and Wholesale and retail trade activities (-7.5 per cent). Service activities which contributed positively to GVA included: Information and communication activities (12.0 per cent); Human health and social work activities (13.7 per cent); Arts, entertainment, and recreation activities (8.5 per cent); Public administration (11.0 per cent); and Financial and insurance activities (6.7 per cent)<sup>1</sup>.

Net taxes on products contributed negatively towards GDP growth with a decline of 4.6 per cent in volume terms.

### The expenditure approach

The expenditure approach is another method used to calculate GDP and is derived by adding final consumption expenditure of Households, Non-profit institutions serving households (NPISH) and General government, Gross capital formation (GCF) and Net exports (Tables 2a and 2b).

The contribution of domestic demand to the year-on-year GDP growth rate in volume terms was of 0.7 percentage points, of which 2.4 were due to Final consumption expenditure and -1.7 to Gross capital formation. Meanwhile, external demand registered a negative contribution of 2.5 percentage points, with -6.6 percentage points attributable to exports, and -4.1 percentage points explained by imports.

Statistics in this News Release should be interpreted in context to the unprecedented developments related to COVID-19.

<sup>1</sup> The industries are listed according to their contribution to growth at NACE Section level.

In the first quarter of 2021, Total final consumption expenditure witnessed an increase of 3.8 per cent in volume terms. This was the result of a decrease in Household expenditure of 4.8 per cent and in the expenditure of NPISH of 3.4 per cent. These drops were offset by an increase in General government expenditure of 24.6 per cent.

Gross Fixed Capital Formation (GFCF) declined by 11.8 per cent in volume terms. The decline in GFCF was mainly triggered by a decrease of 31.1 per cent in Dwellings and a drop of 15.4 per cent in Other buildings and structures.

Exports and imports of goods and services fell by 4.3 per cent and 2.9 per cent respectively in volume terms.

**The income approach**

The third approach to measure economic activity is the income approach, which shows how GDP is distributed among compensation of employees, operating surplus of enterprises and taxes on production and imports net of subsidies (Table 3).

Compared to the first quarter of 2020, the €17.8 million decrease in nominal GDP was the result of a €13.3 million increase in compensation of employees, a €26.6 million rise in gross operating surplus and mixed income, and a drop of €57.8 million in net taxation on production and imports. The increase in compensation of employees was mainly driven by the General government sector which registered an increase of €49.6 million.

**Gross National Income (GNI)**

The GNI differs from the GDP measure in terms of net compensation receipts, net property income receivable and net taxes receivable on production and imports from abroad.

Considering the effects of income and taxation paid and received by residents to and from the rest of the world, GNI at market prices for the first quarter of 2021 was estimated at €3,031.6 million (Table 3).

**Chart 1. GDP growth rate (year-on-year)**

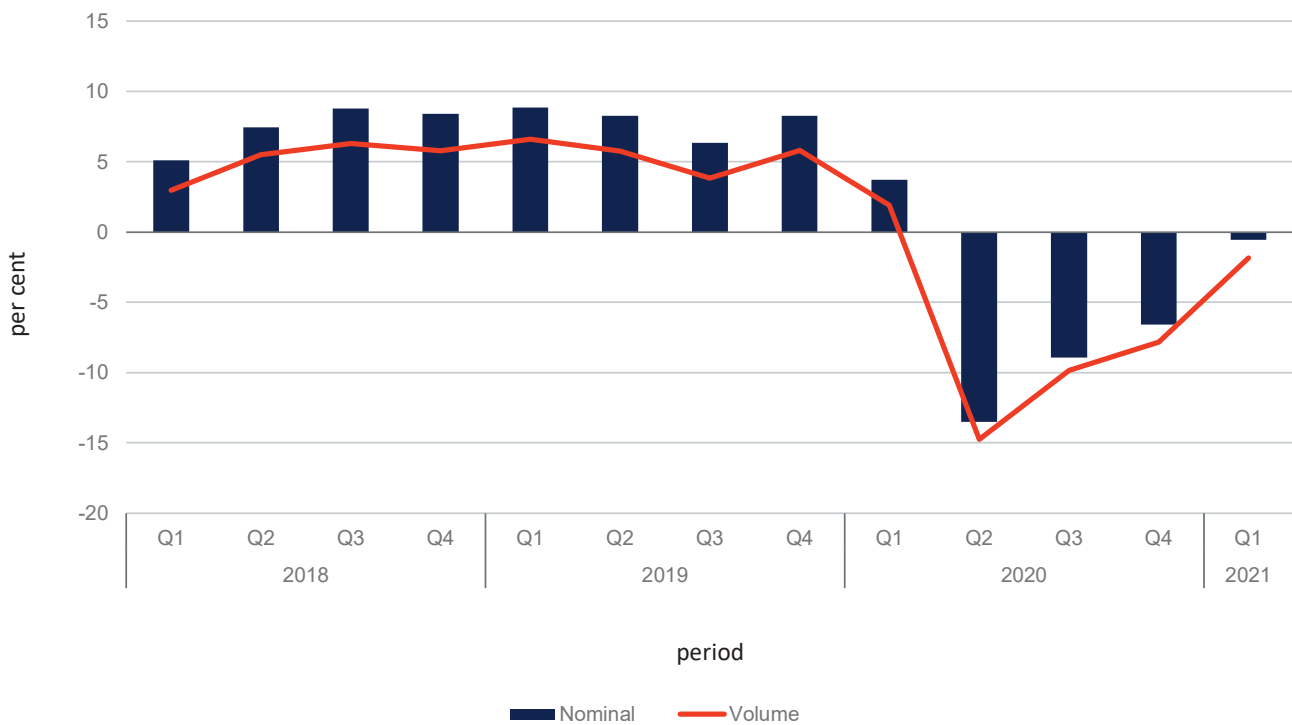


Table 1a. GDP identity from the production (output) side at market prices by period...

€ 000

		NACE section	Computational notes	2016	2017	2018	2019	2020
<b>Gross Value Added</b>		<b>Total</b>	1=2+3+5+...+12	9,382,007	10,408,885	11,125,765	12,093,493	11,447,600
<b>Gross Value Added by industry</b>	Agriculture, forestry and fishing	A	2	100,186	78,513	90,972	65,506	62,095
	Mining and quarrying; Manufacturing; Electricity, gas, steam and air conditioning supply; Water supply; sewerage, waste management and remediation activities	B to E	3	958,465	1,001,522	1,101,289	1,194,564	1,181,179
		<i>of which: C</i>	4	749,653	826,971	916,606	969,236	979,235
	Construction	F	5	333,921	392,192	437,507	507,163	512,474
	Wholesale and retail trade; repair of motor vehicles and motorcycles; Transportation and storage; Accommodation and food service activities	G to I	6	1,933,526	2,117,560	2,258,635	2,404,029	1,569,187
	Information and communication	J	7	661,656	753,185	838,761	963,298	1,055,885
	Financial and insurance activities	K	8	820,477	922,940	1,012,104	1,076,594	1,148,848
	Real estate activities	L	9	579,751	628,850	688,576	742,355	730,560
	Professional, scientific and technical activities; Administrative and support service activities	M to N	10	1,339,134	1,649,008	1,863,005	2,104,138	2,004,107
	Public administration and defence; compulsory social security; Education; Human health and social work activities	O to Q	11	1,607,153	1,723,810	1,854,715	2,030,957	2,099,415
Arts, entertainment and recreation, Repair of household goods and other services	R to U	12	1,047,738	1,141,304	980,201	1,004,889	1,083,852	
<b>Taxes on products</b>			13	1,222,715	1,365,728	1,538,580	1,568,392	1,324,779
<b>Subsidies on products</b>			14	37,314	58,086	69,519	72,259	71,014
<b>Taxes less subsidies on products</b>			15=13-14	1,185,401	1,307,641	1,469,061	1,496,133	1,253,765
<b>Gross Domestic Product</b>		<b>Total</b>	<b>16=1+15</b>	10,567,408	11,716,526	12,594,826	13,589,626	12,701,365
<b>Rate of growth (%)</b> <sup>1</sup>				5.7%	10.9%	7.5%	7.9%	-6.5%

Note: Totals may not add up due to rounding.

<sup>1</sup> In year-on-year terms

... Table 1a. GDP identity from the production (output) side at market prices by period

€ 000

	NACE section	Computational notes	2019				2020				2021	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
<b>Gross Value Added</b>	<b>Total</b>	1=2+3+5+...+12	2,800,326	3,031,426	3,170,758	3,090,982	2,960,440	2,652,762	2,920,907	2,913,492	2,945,686	
<b>Gross Value Added by industry</b>	Agriculture, forestry and fishing	A	2	16,963	16,947	17,502	14,094	17,571	15,060	14,130	15,333	17,178
	Mining and quarrying; Manufacturing; Electricity, gas, steam and air conditioning supply; Water supply; sewerage, waste management and remediation activities	B to E	3	257,683	304,228	304,082	328,571	285,330	266,986	302,375	326,488	280,483
		of which : C	4	207,822	248,565	237,756	275,093	238,454	224,355	241,690	274,736	231,476
	Construction	F	5	117,107	124,580	128,490	136,985	127,951	126,900	128,403	129,219	129,176
	Wholesale and retail trade; repair of motor vehicles and motorcycles; Transportation and storage; Accommodation and food service activities	G to I	6	489,757	620,783	708,390	585,099	465,496	324,646	412,438	366,607	354,481
	Information and communication	J	7	231,006	236,883	241,649	253,760	263,662	252,997	270,345	268,881	295,751
	Financial and insurance activities	K	8	269,813	273,745	268,686	264,350	286,723	280,523	289,418	292,183	307,281
	Real estate activities	L	9	178,213	181,028	187,020	196,095	185,467	168,180	188,168	188,745	184,934
	Professional, scientific and technical activities; Administrative and support service activities	M to N	10	491,783	520,077	555,555	536,722	514,038	473,727	506,273	510,068	484,406
	Public administration and defence; compulsory social security; Education; Human health and social work activities	O to Q	11	504,340	503,937	508,265	514,415	530,791	498,825	532,881	536,918	582,775
	Arts, entertainment and recreation, Repair of household goods and other services	R to U	12	243,661	249,218	251,119	260,891	283,409	244,917	276,476	279,049	309,220
	<b>Taxes on products</b>		13	367,309	380,035	413,193	407,856	328,053	293,118	347,770	355,837	321,490
<b>Subsidies on products</b>		14	15,387	20,228	19,666	16,978	18,918	12,086	22,863	17,146	15,417	
<b>Taxes less subsidies on products</b>		15=13-14	351,921	359,806	393,527	390,878	309,135	281,032	324,907	338,691	306,073	
<b>Gross Domestic Product</b>	<b>Total</b>	<b>16=1+15</b>	<b>3,152,248</b>	<b>3,391,233</b>	<b>3,564,286</b>	<b>3,481,860</b>	<b>3,269,574</b>	<b>2,933,795</b>	<b>3,245,814</b>	<b>3,252,183</b>	<b>3,251,759</b>	
<b>Rate of growth (%)</b> <sup>1</sup>			<b>8.9%</b>	<b>8.3%</b>	<b>6.4%</b>	<b>8.3%</b>	<b>3.7%</b>	<b>-13.5%</b>	<b>-8.9%</b>	<b>-6.6%</b>	<b>-0.5%</b>	

Note: Totals may not add up due to rounding.

<sup>1</sup> In year-on-year terms

Table 1b. GDP identity from the production (output) side in chain-linked volumes by period (reference year 2015) <sup>1...</sup>

€ 000

		NACE section	2016	2017	2018	2019	2020
<b>Gross Value Added</b>		<b>Total</b>	9,259,001	10,070,716	10,560,653	11,229,137	10,464,460
<b>Gross Value Added by industry</b>	Agriculture, forestry and fishing	A	107,392	83,088	94,092	62,604	59,037
	Mining and quarrying; Manufacturing; Electricity, gas, steam and air conditioning supply; Water supply; sewerage, waste management and remediation activities	B to E	958,635	993,754	1,071,217	1,144,876	1,127,902
		<i>of which: C</i>	744,508	813,633	880,723	914,895	920,503
	Construction	F	327,998	380,085	418,121	475,346	473,326
	Wholesale and retail trade; repair of motor vehicles and motorcycles; Transportation and storage; Accommodation and food service activities	G to I	1,924,784	2,069,203	2,198,099	2,319,622	1,509,558
	Information and communication	J	680,416	792,124	901,866	1,047,340	1,129,984
	Financial and insurance activities	K	806,521	889,027	941,980	971,076	1,028,685
	Real estate activities	L	549,852	587,897	628,133	645,419	609,920
	Professional, scientific and technical activities; Administrative and support service activities	M to N	1,319,939	1,590,598	1,760,875	1,923,278	1,799,075
	Public administration and defence; compulsory social security; Education; Human health and social work activities	O to Q	1,576,558	1,638,070	1,690,147	1,790,605	1,801,989
Arts, entertainment and recreation, Repair of household goods and other services	R to U	1,006,905	1,047,249	875,731	881,677	937,409	
<b>Taxes on products</b>			1,157,164	1,253,240	1,350,758	1,343,913	1,112,528
<b>Subsidies on products</b>			40,079	51,341	56,541	63,510	33,540
<b>Taxes less subsidies on products</b>			1,117,085	1,202,872	1,295,217	1,280,787	1,078,812
<b>Gross Domestic Product</b>		<b>Total</b>	10,376,086	11,273,079	11,856,890	12,504,475	11,529,604
<b>Rate of growth (%) <sup>2</sup></b>			3.8%	8.6%	5.2%	5.5%	-7.8%

<sup>1</sup> Users should note that chain-linking gives rise to components of GDP not adding up to the aggregate volume GDP series. This non-additivity, similar to that in other countries' national accounts, is due to mathematical reasons and reflects the fact that chain-linked volumes are calculated by separately extrapolating both totals and their sub-components

<sup>2</sup> In year-on-year terms

... Table 1b. GDP identity from the production (output) side in chain-linked volumes by period (reference year 2015)<sup>1</sup>

€ 000

		NACE section	2019				2020				2021
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Gross Value Added</b>		<b>Total</b>	2,630,274	2,817,857	2,919,268	2,861,737	2,722,598	2,428,268	2,659,883	2,653,712	2,680,413
Gross Value Added by industry	Agriculture, forestry and fishing	A	15,703	16,413	17,273	13,216	15,609	14,938	13,735	14,755	16,230
	Mining and quarrying; Manufacturing; Electricity, gas, steam and air conditioning supply; Water supply; sewerage, waste management and remediation activities	B to E	247,490	290,954	291,449	314,983	271,059	254,032	288,950	313,862	265,496
		<i>of which: C</i>	196,649	234,054	224,287	259,905	222,786	210,004	227,368	260,345	215,346
	Construction	F	110,027	116,761	120,368	128,191	118,203	117,624	118,584	118,916	117,782
	Wholesale and retail trade; repair of motor vehicles and motorcycles; Transportation and storage; Accommodation and food service activities	G to I	487,530	600,119	662,706	569,267	457,367	310,902	390,069	351,220	340,657
	Information and communication	J	253,912	258,871	260,508	274,050	282,339	270,813	288,754	288,079	316,347
	Financial and insurance activities	K	248,141	246,549	238,886	237,500	260,669	250,606	256,467	260,942	278,200
	Real estate activities	L	159,614	159,318	161,681	164,806	156,032	140,984	155,335	157,569	155,426
	Professional, scientific and technical activities; Administrative and support service activities	M to N	452,873	476,337	509,456	484,612	462,998	424,748	456,930	454,399	432,790
	Public administration and defence; compulsory social security; Education; Human health and social work activities	O to Q	442,613	444,243	451,862	451,886	454,623	433,685	462,297	451,384	493,681
Arts, entertainment and recreation, Repair of household goods and other services	R to U	216,864	217,155	215,487	232,170	247,917	211,553	232,636	245,303	264,439	
<b>Taxes on products</b>			322,486	326,594	346,002	348,831	282,154	249,524	280,183	300,666	262,549
<b>Subsidies on products</b>			15,900	15,918	15,875	15,817	8,427	8,317	8,400	8,396	4,410
<b>Taxes less subsidies on products</b>			306,623	310,728	330,266	333,170	273,680	241,189	271,738	292,205	260,978
<b>Gross Domestic Product</b>		<b>Total</b>	<b>2,936,069</b>	<b>3,126,495</b>	<b>3,247,935</b>	<b>3,193,977</b>	<b>2,992,198</b>	<b>2,665,600</b>	<b>2,927,961</b>	<b>2,943,845</b>	<b>2,937,046</b>
<b>Rate of growth (%)</b> <sup>2</sup>			<b>6.6%</b>	<b>5.8%</b>	<b>3.9%</b>	<b>5.8%</b>	<b>1.9%</b>	<b>-14.7%</b>	<b>-9.9%</b>	<b>-7.8%</b>	<b>-1.8%</b>

<sup>1</sup> Users should note that chain-linking gives rise to components of GDP not adding up to the aggregate volume GDP series. This non-additivity, similar to that in other countries' national accounts, is due to mathematical reasons and reflects the fact that chain-linked volumes are calculated by separately extrapolating both totals and their sub-components.

<sup>2</sup> In year-on-year terms

Table 2a. GDP identity from the expenditure side at market prices by period...

€ 000

		ESA code	Computational notes	2016	2017	2018	2019	2020	
<b>Gross Domestic Product</b>		<b>B1GQ</b>	<b>1=2+20+29-30</b>	<b>10,567,408</b>	<b>11,716,526</b>	<b>12,594,826</b>	<b>13,589,626</b>	<b>12,701,365</b>	
Final consumption expenditure	Total Final consumption expenditure	P3	2=3+18+19	6,766,076	7,054,054	7,846,683	8,568,692	8,552,501	
	of households (National concept)	P31_S14	3=4+..15-16+17	4,943,502	5,164,320	5,680,733	6,039,471	5,603,141	
	Domestic concept by COICOP	Food and non-alcoholic beverages		4	818,527	849,778	886,973	913,235	879,398
		Alcoholic beverages, tobacco		5	230,607	240,411	264,040	276,032	246,162
		Clothing and footwear		6	320,025	371,556	392,068	386,756	331,079
		Housing, water, electricity, gas and other fuels		7	760,348	834,111	848,585	908,096	982,168
		Furnishings, household equipment and routine household maintenance		8	289,141	294,281	318,550	339,129	334,230
		Health		9	249,723	277,200	305,215	329,831	320,542
		Transport		10	700,538	755,212	812,177	842,083	633,569
		Communication		11	180,520	189,799	198,621	208,476	209,895
		Recreation and culture		12	533,781	570,404	612,691	664,560	458,470
		Education		13	141,243	143,997	148,707	153,487	123,897
		Restaurants and hotels		14	1,186,414	1,301,691	1,449,505	1,527,663	591,400
	Miscellaneous goods and services		15	518,721	502,954	623,238	762,652	766,348	
	of non-resident households on the economic territory		16	1,298,162	1,517,948	1,561,528	1,685,897	371,689	
of resident households in the rest of the world		17	312,075	350,875	381,890	413,370	97,671		
of Non-Profit Institutions Serving Households	P31_S15	18	136,563	140,858	155,005	169,121	177,060		
of General Government	P3_S13	19	1,686,012	1,748,875	2,010,946	2,360,100	2,772,300		
Gross Capital Formation	Total Gross Capital Formation	P5g	20=26+27+28	2,612,834	2,620,456	2,729,466	2,994,233	2,894,538	
	Gross Fixed Capital Formation by asset	Dwellings		21	375,786	518,536	626,777	639,952	508,354
		Other buildings and structures		22	555,580	757,558	775,988	954,304	1,070,910
		Machinery and equipment		23	1,208,037	801,006	742,484	771,662	581,587
		Cultivated biological resources		24	2,252	2,233	3,115	2,332	2,160
		Intellectual property products		25	414,383	458,529	494,267	530,508	554,564
	Total Gross Fixed Capital Formation	P51g	26=21+..+25	2,556,036	2,537,861	2,642,631	2,898,758	2,717,576	
Changes in inventories	P52	27	41,742	66,858	61,206	68,118	157,220		
Acquisitions less disposals of valuables	P53	28	15,056	15,737	25,629	27,358	19,742		
<b>Exports of goods and services</b>	P6	29	15,926,557	17,632,162	17,933,267	19,564,796	18,268,154		
<b>Imports of goods and services</b>	P7	30	14,738,059	15,590,145	15,914,591	17,538,096	17,013,828		

Note: Totals may not add up due to rounding.

... Table 2a. GDP identity from the expenditure side at market prices by period

		€ 000											
		ESA code	Computational notes	2019				2020				2021	
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
<b>Gross Domestic Product</b>		<b>B1GQ</b>	<b>1=2+20+29-30</b>	<b>3,152,248</b>	<b>3,391,233</b>	<b>3,564,286</b>	<b>3,481,860</b>	<b>3,269,574</b>	<b>2,933,795</b>	<b>3,245,814</b>	<b>3,252,183</b>	<b>3,251,759</b>	
<b>Final Consumption Expenditure</b>	Total Final consumption expenditure	P3	2=3+18+19	2,059,934	2,091,155	2,215,200	2,202,404	2,090,374	1,987,992	2,229,772	2,244,363	2,192,826	
	of households (National concept)	P31_S14	3=4+..15-16+17	1,433,547	1,464,519	1,613,753	1,527,653	1,428,205	1,230,534	1,496,474	1,447,927	1,364,087	
	Domestic concept by COICOP	Food and non-alcoholic beverages		4	208,535	229,134	246,768	228,798	221,785	208,942	230,317	218,355	207,796
		Alcoholic beverages, tobacco		5	59,793	71,123	78,527	66,589	59,954	57,859	68,077	60,273	56,196
		Clothing and footwear		6	94,965	90,529	98,282	102,980	88,115	55,564	86,016	101,384	71,510
		Housing, water, electricity, gas and other fuels		7	217,466	219,784	237,333	233,513	240,833	245,067	254,259	242,009	244,724
		Furnishings, household equipment and routine household maintenance		8	83,482	86,406	82,612	86,629	79,666	81,442	82,855	90,266	83,898
		Health		9	88,608	75,621	79,070	86,532	85,610	64,841	79,763	90,330	86,108
		Transport		10	184,105	214,844	236,516	206,617	172,681	124,632	170,362	165,892	149,524
		Communication		11	48,308	50,727	53,404	56,036	51,611	49,630	52,294	56,360	50,564
		Recreation and culture		12	133,136	163,373	204,742	163,309	118,982	88,468	118,653	132,367	112,898
		Education		13	33,778	39,689	50,593	29,427	34,588	18,940	40,586	29,782	34,618
		Restaurants and hotels		14	219,585	415,394	586,925	305,759	176,799	72,169	230,722	111,711	85,635
	Miscellaneous goods and services		15	188,685	191,624	186,212	196,131	202,695	170,479	192,281	200,893	192,957	
of non-resident households on the economic territory		16	199,483	472,251	668,855	345,308	157,729	7,504	136,703	69,752	23,312		
of resident households in the rest of the world		17	72,582	88,522	141,625	110,641	52,613	7	26,993	18,058	10,972		
of Non-Profit Institutions Serving Households	P31_S15	18	42,290	42,828	41,246	42,756	44,235	43,936	44,105	44,785	43,799		
of General Government	P3_S13	19	584,097	583,808	560,201	631,995	617,934	713,522	689,193	751,651	784,940		
<b>Gross Capital Formation</b>	Total Gross Capital Formation	P5g	20=26+27+28	796,198	711,728	703,715	782,593	758,949	746,993	702,113	686,483	707,155	
	Gross Fixed Capital Formation by asset	Dwellings		21	159,877	155,780	159,377	164,918	149,401	133,886	120,788	104,280	103,551
		Other buildings and structures		22	206,981	245,058	223,774	278,490	287,090	268,792	241,554	273,473	246,237
		Machinery and equipment		23	277,479	156,587	164,273	173,323	154,575	137,009	144,565	145,438	145,711
		Cultivated biological resources		24	677	659	467	529	390	639	558	572	633
		Intellectual property products		25	130,669	130,257	132,545	137,037	135,711	135,443	143,725	139,685	149,123
	Total Gross Fixed Capital Formation	P51g	26=21+..+25	775,684	688,341	680,435	754,298	727,169	675,769	651,190	663,448	645,255	
Changes in inventories	P52	27	15,732	17,047	17,876	17,462	27,076	65,760	47,214	17,170	38,060		
Acquisitions less disposals of valuables	P53	28	4,782	6,340	5,403	10,832	4,703	5,464	3,710	5,864	23,840		
<b>Exports of goods and services</b>	P6	29	4,616,788	4,834,198	5,158,927	4,954,884	4,870,054	4,307,552	4,522,667	4,567,880	4,701,707		
<b>Imports of goods and services</b>	P7	30	4,320,672	4,245,848	4,513,555	4,458,021	4,449,802	4,108,743	4,208,739	4,246,543	4,349,930		

Note: Totals may not add up due to rounding.



Table 2b. GDP identity from the expenditure side in chain-linked volumes by period (reference year 2015)<sup>1</sup> ...

€ 000

		ESA code	2016	2017	2018	2019	2020	
<b>Gross Domestic Product</b>		<b>B1GQ</b>	<b>10,376,086</b>	<b>11,273,079</b>	<b>11,856,890</b>	<b>12,504,475</b>	<b>11,529,604</b>	
<b>Final Consumption Expenditure</b>	Total Final consumption expenditure	P3	6,679,024	6,877,290	7,555,877	8,091,008	7,961,060	
	of households (National concept)	P31_S14	4,894,834	5,065,988	5,531,519	5,776,230	5,297,325	
	Domestic concept by COICOP	Food and non-alcoholic beverages		803,038	813,408	830,517	830,905	780,938
		Alcoholic beverages, tobacco		220,508	224,190	243,570	253,925	226,149
		Clothing and footwear		324,026	384,436	415,178	413,698	358,481
		Housing, water, electricity, gas and other fuels		732,764	800,212	802,850	831,452	873,369
		Furnishings, household equipment and routine household maintenance		282,122	281,006	299,540	319,665	316,448
		Health		245,026	267,044	290,937	309,213	294,273
		Transport		706,684	754,836	805,579	822,581	620,199
		Communication		182,789	194,277	204,305	214,188	216,469
		Recreation and culture		551,920	590,843	639,926	681,856	467,116
		Education		133,907	130,261	136,749	147,225	122,453
		Restaurants and hotels		1,162,862	1,263,020	1,408,350	1,442,059	553,478
	Miscellaneous goods and services		513,888	493,902	604,072	727,050	720,715	
of non-resident households on the economic territory		1,284,507	1,487,974	1,532,801	1,623,590	358,887		
of resident households in the rest of the world		319,806	358,983	387,504	410,735	97,130		
of Non-Profit Institutions Serving Households	P31_S15	133,553	134,321	143,701	152,699	156,222		
of General Government	P3_S13	1,650,637	1,677,276	1,880,236	2,155,789	2,483,901		
<b>Gross Capital Formation</b>	Total Gross Capital Formation	P5g	2,595,150	2,582,727	2,665,407	2,891,072	2,768,504	
	Gross Fixed Capital Formation by asset	Dwellings		372,549	511,925	609,792	611,410	477,610
		Other buildings and structures		543,960	730,374	738,832	898,857	995,484
		Machinery and equipment		1,207,761	796,830	733,033	754,121	566,717
		Cultivated biological resources		2,229	2,176	2,990	2,211	2,020
		Intellectual property products		412,696	454,210	489,910	523,955	547,301
Total Gross Fixed Capital Formation	P51g	2,539,195	2,501,036	2,580,513	2,799,866	2,601,101		
<b>Exports of goods and services</b>		P6	15,706,145	17,049,944	16,952,517	18,143,470	16,870,558	
<b>Imports of goods and services</b>		P7	14,604,233	15,235,912	15,306,654	16,613,527	16,066,264	

<sup>1</sup> Users should note that chain-linking gives rise to components of GDP not adding up to the aggregate volume GDP series. This non-additivity, similar to that in other countries' national accounts, is due to mathematical reasons and reflects the fact that chain-linked volumes are calculated by separately extrapolating both totals and their sub-components.

... Table 2b. GDP identity from the expenditure side in chain-linked volumes by period (reference year 2015) <sup>1</sup>

			2019				2020				2021	
		ESA code	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
<b>Gross Domestic Product</b>		<b>B1GQ</b>	<b>2,936,069</b>	<b>3,126,495</b>	<b>3,247,935</b>	<b>3,193,977</b>	<b>2,992,198</b>	<b>2,665,600</b>	<b>2,927,961</b>	<b>2,943,845</b>	<b>2,937,046</b>	
<b>Final Consumption Expenditure</b>	Total Final consumption expenditure	P3	1,969,424	1,974,135	2,085,547	2,061,902	1,955,812	1,844,244	2,075,481	2,085,523	2,029,858	
	of households (National concept)	P31_S14	1,392,828	1,401,693	1,537,813	1,443,896	1,361,787	1,159,378	1,414,019	1,362,141	1,295,870	
	Domestic concept by COICOP	Food and non-alcoholic beverages		189,901	209,518	225,055	206,431	197,883	185,406	205,020	192,628	184,430
		Alcoholic beverages, tobacco		55,060	65,368	72,215	61,282	55,143	53,131	62,493	55,383	51,512
		Clothing and footwear		108,856	90,307	112,832	101,703	103,109	56,354	95,675	103,343	83,530
		Housing, water, electricity, gas and other fuels		202,646	202,800	217,009	208,996	214,265	218,167	225,547	215,389	218,309
		Furnishings, household equipment and routine household maintenance		78,709	81,371	77,939	81,645	75,537	76,846	78,341	85,724	79,370
		Health		83,916	71,096	73,914	80,286	79,036	59,745	73,058	82,433	78,427
		Transport		184,310	213,629	222,750	201,892	169,553	120,617	166,520	163,510	147,683
		Communication		49,634	51,889	54,923	57,741	53,131	51,044	53,769	58,526	52,395
		Recreation and culture		138,516	167,887	208,218	167,236	122,487	90,263	119,741	134,625	115,628
		Education		32,675	38,539	48,238	27,774	32,588	20,992	42,148	26,725	31,289
		Restaurants and hotels		214,821	393,698	534,289	299,251	170,211	67,365	209,684	106,218	81,034
	Miscellaneous goods and services		182,536	182,556	176,097	185,861	193,258	159,785	178,996	188,675	182,803	
of non-resident households on the economic territory		200,497	456,242	624,305	342,545	156,258	7,255	127,417	67,957	22,931		
of resident households in the rest of the world		72,834	88,172	140,989	108,739	51,804	7	27,162	18,157	10,930		
of Non-Profit Institutions Serving Households	P31_S15	38,311	38,562	37,280	38,547	38,944	38,677	39,012	39,589	37,631		
of General Government	P3_S13	536,221	532,030	510,797	576,741	551,988	637,645	617,795	676,473	687,504		
<b>Gross Capital Formation</b>	Total Gross Capital Formation	P5g	771,032	687,571	678,531	753,939	726,063	715,605	671,378	655,457	671,887	
	Gross Fixed Capital Formation by asset	Dwellings		152,803	150,312	151,318	156,977	140,139	126,205	113,351	97,914	96,511
		Other buildings and structures		195,949	229,650	211,247	262,011	266,989	251,421	224,579	252,495	225,763
		Machinery and equipment		271,775	153,050	160,463	168,833	150,484	132,991	141,050	142,192	141,900
		Cultivated biological resources		665	614	428	504	379	590	508	543	613
		Intellectual property products		129,292	128,670	130,579	135,415	134,314	133,527	141,482	137,979	147,359
Total Gross Fixed Capital Formation	P51g	751,194	665,163	656,322	727,186	695,937	648,041	623,182	633,941	613,705		
<b>Exports of goods and services</b>	P6	4,360,258	4,494,224	4,733,671	4,555,317	4,534,001	3,983,870	4,148,307	4,204,380	4,337,843		
<b>Imports of goods and services</b>	P7	4,163,146	4,027,402	4,249,332	4,173,647	4,225,423	3,877,512	3,963,974	3,999,354	4,102,816		

<sup>1</sup> Users should note that chain-linking gives rise to components of GDP not adding up to the aggregate volume GDP series. This non-additivity, similar to that in other countries' national accounts, is due to mathematical reasons and reflects the fact that chain-linked volumes are calculated by separately extrapolating both totals and their sub-components.

Table 3. GDP identity from the income side by period...

€ 000

		NACE section	Computational notes	2016	2017	2018	2019	2020
<b>Gross Domestic Product</b>		<b>Total</b>	<b>1=2+26+29</b>	<b>10,567,408</b>	<b>11,716,526</b>	<b>12,594,826</b>	<b>13,589,626</b>	<b>12,701,365</b>
<b>Total compensation of employees</b>		<b>Total</b>	<b>2=3+4+6+...+13</b>	<b>4,544,606</b>	<b>4,940,902</b>	<b>5,404,205</b>	<b>5,894,277</b>	<b>6,031,734</b>
Compensation of employees by industry	Agriculture, forestry and fishing	A	3	13,654	16,035	18,645	19,248	19,599
	Mining and quarrying; Manufacturing; Electricity, gas, steam and air conditioning supply; Water supply; sewerage, waste management and remediation activities	B to E	4	474,867	497,954	527,433	538,884	540,945
		of which: C	5	437,869	455,010	480,277	488,044	486,095
	Construction	F	6	151,463	153,996	163,389	192,908	222,034
	Wholesale and retail trade; repair of motor vehicles and motorcycles; Transportation and storage; Accommodation and food service activities	G to I	7	959,393	1,009,255	1,083,188	1,134,170	1,061,867
	Information and communication	J	8	245,754	283,994	323,988	349,549	355,309
	Financial and insurance activities	K	9	414,500	446,064	482,833	537,194	555,646
	Real estate activities	L	10	21,310	22,375	25,617	29,980	30,992
	Professional, scientific and technical activities; Administrative and support service activities	M to N	11	618,945	689,395	788,627	919,393	918,445
	Public administration and defence; compulsory social security; Education; Human health and social work activities	O to Q	12	1,300,766	1,411,025	1,511,119	1,641,071	1,744,847
Arts, entertainment and recreation, Repair of household goods and other services	R to U	13	343,954	410,810	479,364	531,879	582,050	
Gross operating surplus and mixed income			26	4,875,238	5,497,835	5,799,423	6,272,699	5,938,407
Taxes on production and imports			27	1,284,539	1,423,810	1,593,846	1,638,496	1,395,135
Subsidies on production and imports			28	136,975	146,020	202,648	215,846	663,910
Taxes less subsidies on production and imports			29=27-28	1,147,564	1,277,789	1,391,198	1,422,650	731,225
Primary income receivable from the rest of the world			30	9,894,774	9,717,457	9,623,800	9,500,856	9,343,470
Primary income payable to the rest of the world			31	10,926,016	10,908,518	10,562,819	10,525,532	10,505,866
<b>Gross National Income</b>		<b>Total</b>	<b>32=1+30-31</b>	<b>9,536,166</b>	<b>10,525,465</b>	<b>11,655,807</b>	<b>12,564,950</b>	<b>11,538,970</b>

Note: Totals may not add up due to rounding.

... Table 3. GDP identity from the income side by period

		€ 000										
		NACE section	Computational notes	2019				2020				2021
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Gross Domestic Product</b>		<b>Total</b>	<b>1=2+26+29</b>	<b>3,152,248</b>	<b>3,391,233</b>	<b>3,564,286</b>	<b>3,481,860</b>	<b>3,269,574</b>	<b>2,933,795</b>	<b>3,245,814</b>	<b>3,252,183</b>	<b>3,251,759</b>
<b>Total compensation of employees</b>		<b>Total</b>	<b>2=3+4+6+...+13</b>	<b>1,439,670</b>	<b>1,456,443</b>	<b>1,486,412</b>	<b>1,511,754</b>	<b>1,542,647</b>	<b>1,467,679</b>	<b>1,502,899</b>	<b>1,518,510</b>	<b>1,555,952</b>
Compensation of employees by industry	Agriculture, forestry and fishing	A	3	4,520	4,721	4,827	5,181	4,850	4,853	5,027	4,869	5,059
	Mining and quarrying; Manufacturing; Electricity, gas, steam and air conditioning supply; Water supply; sewerage, waste management and remediation activities	B to E	4	132,372	133,338	135,915	137,259	140,019	129,361	133,925	137,639	141,536
		<i>of which: C</i>	5	119,927	121,039	123,346	123,733	126,018	115,832	120,130	124,114	126,976
	Construction	F	6	44,452	47,380	48,807	52,269	55,303	55,334	55,441	55,955	57,480
	Wholesale and retail trade; repair of motor vehicles and motorcycles; Transportation and storage; Accommodation and food service activities	G to I	7	275,490	283,919	287,201	287,560	288,442	250,415	258,738	264,271	262,126
	Information and communication	J	8	85,887	86,010	86,989	90,663	90,109	86,565	89,957	88,679	89,185
	Financial and insurance activities	K	9	131,840	130,566	136,360	138,428	138,794	137,750	136,970	142,131	146,447
	Real estate activities	L	10	6,820	7,618	7,644	7,899	7,501	7,918	7,746	7,827	7,493
	Professional, scientific and technical activities; Administrative and support service activities	M to N	11	222,659	226,649	231,437	238,647	241,436	225,013	224,707	227,289	218,266
	Public administration and defence; compulsory social security; Education; Human health and social work activities	O to Q	12	407,652	405,818	410,993	416,608	431,981	430,040	444,374	438,453	477,842
Arts, entertainment and recreation, Repair of household goods and other services	R to U	13	127,978	130,424	136,238	137,239	144,212	140,428	146,013	151,397	150,519	
Gross operating surplus and mixed income			26	1,380,207	1,576,340	1,703,817	1,612,334	1,473,709	1,327,153	1,586,497	1,551,049	1,500,356
Taxes on production and imports			27	379,432	414,357	422,508	422,198	340,826	324,156	360,256	369,896	335,067
Subsidies on production and imports			28	47,062	55,907	48,451	64,426	87,607	185,193	203,838	187,272	139,616
Taxes less subsidies on production and imports			29=27-28	332,370	358,450	374,057	357,772	253,219	138,963	156,418	182,624	195,450
Primary income receivable from the rest of the world			30	2,408,259	2,347,829	2,414,254	2,330,513	2,357,854	2,325,662	2,362,656	2,297,297	2,326,397
Primary income payable to the rest of the world			31	2,649,176	2,588,988	2,667,339	2,620,029	2,621,508	2,632,991	2,652,280	2,599,087	2,546,576
<b>Gross National Income</b>		<b>Total</b>	<b>32=1+30-31</b>	<b>2,911,331</b>	<b>3,150,074</b>	<b>3,311,201</b>	<b>3,192,345</b>	<b>3,005,920</b>	<b>2,626,466</b>	<b>2,956,190</b>	<b>2,950,393</b>	<b>3,031,579</b>

Note: Totals may not add up due to rounding.

## Methodological Notes

### 1. The compilation of quarterly national accounts estimates in the context of the COVID-19 crisis

Under normal circumstances, GDP estimates are based on established sources and estimation techniques, which have been tested and evaluated carefully, as well as documented. GDP is estimated independently from the output approach and expenditure approach, complemented by estimates of income-related data. These estimates are based on a multitude of sources such as tourism statistics, short-term statistics, trade and balance of payments statistics, as well as administrative data.

Eurostat and national statistical authorities in the European Statistical System (ESS) have been working hard together to elaborate guidelines and notes on how to address the statistical challenges brought about by COVID-19 and thereby ensure that European statistics continue to be based on sound foundations. These guidelines cover the compilation of national accounts, as well as important national accounts data sources, such as the Harmonised Index of Consumer Prices (HICP), the Labour Force Survey (LFS), short-term statistics, and intra-EU trade in goods. NSO followed these guidelines to mitigate the impact resulting from this crisis, which meant delays in data availability, lower response rates and possible quality issues. In this way, it ensured that the data continued to capture economic developments in the most reliable manner.

In view of these unprecedented developments, a thorough examination was carried out on the imputation methods and models used in the compilation of national accounts, given that, in some cases, past correlations between indicators and macroeconomic statistics were not expected to hold anymore during the COVID-19 crisis. In absence of traditional sources, compilers had to make assumptions about industries which were fully or partially 'closed'. Furthermore, statisticians referred to alternative or complementary information, such as business and consumer surveys, information from professional federations and administrative data, in order to fill in for gaps in the established data sources.

NSO is committed to maintain the usual dissemination pattern of quarterly national accounts with the most accurate estimates possible, however, it is important to bear in mind that first estimates may be subject to larger revisions than usual.

For further details, refer to:

Eurostat's methodological note 'Guidance on Quarterly National Accounts (Including Flash) Estimates in the Context of the COVID-19 Crisis', available at:

[https://ec.europa.eu/eurostat/documents/10186/10693286/QNA\\_estimates\\_guidance.pdf](https://ec.europa.eu/eurostat/documents/10186/10693286/QNA_estimates_guidance.pdf)

Eurostat's methodological note 'Guidance on the Publication and Transmission of National Accounts Data and Metadata in the Context of the COVID-19 Crisis', available at:

[https://ec.europa.eu/eurostat/documents/10186/10693286/NA\\_guidance.pdf](https://ec.europa.eu/eurostat/documents/10186/10693286/NA_guidance.pdf)

Eurostat's methodological note 'Guidance on Time Series Treatment in the Context of the COVID-19 Crisis', available at:

[https://ec.europa.eu/eurostat/documents/10186/10693286/Time\\_series\\_treatment\\_guidance.pdf](https://ec.europa.eu/eurostat/documents/10186/10693286/Time_series_treatment_guidance.pdf)

### 2. Impact of some policy measures in the context of the COVID-19 crisis

The Government announced active policy measures in order to mitigate the economic and social impact of the COVID-19 pandemic.

Such policy measures included, but were not limited to, the following:

- Employment-related measures: government support for keeping employees on the payroll system despite a slowdown in business activity, and support for self-employed and small businesses;
- Tax-related measures: deferral of tax deadlines.
- Vouchers: €100 vouchers, expiring by the end of October 2020, were sent to each resident aged 16 years and over to be spent locally, with 80% to be spent on accommodation, restaurant and bar services and 20% in outlets that reopened following a period of forced closure.
- Utility bills: Certain businesses received a refund of 50% on their electricity bills for the months of July, August and September, capped at €1,500.

In this news release, the new measures to support businesses in retaining their employees in the context of COVID-19 by financing wages, partly or fully, as well as refunds of utility bills and vouchers, were recorded as subsidies on production (D.39) to employers.

Taxes on production and imports are recorded when activities, transactions or other events occur and create the liability to pay taxes. In this news release, estimates were specifically necessary for VAT, classified as taxes on production and imports, due to the Government's announced deferrals. This implies that revisions may be necessary in the future.

For further details refer to:

Eurostat's methodological note 'Draft Note on Statistical Implications of Some Policy Measures in the Context of the COVID-19 Crisis', available at:

[https://ec.europa.eu/eurostat/documents/10186/10693286/GFS\\_draft\\_note.pdf](https://ec.europa.eu/eurostat/documents/10186/10693286/GFS_draft_note.pdf)

### 3. Timeline of events

Below is a timeline which shows the unfolding of relevant local developments in relation to COVID-19, which were considered in the compilation of national accounts for the first quarter of 2021. The details in relation to 2020 are available in previous news releases.

Restrictions, announced prior January 2021, which remained in force during the first quarter included:

Closure of all restaurants, and other catering establishments other than for take-aways.

Closure of bars and clubs. Those establishments with a bar licence had to close, while snack bars and kiosks were allowed to open during the day but could not serve alcohol.

Mandatory wearing of masks in all public spaces, indoors and outdoors. Legal Notice 82 of 2021.

Groups in houses could consist of members of not more than four households. Legal Notice 157 of 2021.

Ban on boat parties.

Suspension of hospital visits.

10 March 2021 All restaurants and ancillary services in hotels were closed and only room service was allowed. Legal Notice 92 of 2021.

Closure of non-essential shops and services including hairdressers, massage parlours, barbers, beauticians, spas, nail artists, nail technicians, tattooists, selling of clothing, sportswear, jewellery, hand bags and leather goods, costume jewellery and accessories, footwear, non-prescription eye-wear, perfumeries, beauty products, haberdasheries, soft furnishings, souvenir shops, discount stores, luggage shops, toy shops, hobby shops, furniture shops, florists and vaping shops from 11th March 2021 to 11th April 2021. Legal Notice 90 of 2021 enforced by Legal Notice 91 of 2021.

Crossings to Gozo were limited to essential travel and for those who own property on the island from 11th March 2021 to 11th April 2021. Legal Notice 86 of 2021.

Closure of schools between the 15th March 2021 and the 11th April 2021. Legal Notice 97 of 2021.

Contact sports banned until 11th April 2021. Legal Notice 76 of 2021.

Groups gathering in public limited to four. Legal Notice 89 of 2021.

Closure of places open to the public from 11th March 2021 to 11th April 2021. Legal Notice 87 of 2021.

Gaming parlours were allowed to open solely and exclusively to provide sports betting and for no other service, and clients were not to remain inside the gaming parlours after availing themselves of the betting service. Furthermore, the games offered to the public were those forming part of the National Lottery licence requiring the direct intervention of the agent or seller holding the relevant permit to sell the games in those premises, and clients were not to remain inside the premises after availing themselves of the gaming service. Legal Notice 101 of 2021.

All organised sports activities banned. Legal Notice 93 of 2021.

Pools, cinemas, museums, theatres, wedding receptions and religious activities, including mass banned, except funerals. Organised mass events were banned. Legal Notice 88 of 2021.

Non-urgent surgery postponed until 11th April 2021.

Sources: Government of Malta, Legal Notices.

4. Data in this news release is unadjusted. Seasonally adjusted data is available online at: [EUROSTAT Website/Homepage/Complete Database](#)
5. Data in this news release are in line with the European System of Accounts (ESA) 2010 manual (ISBN 978-92-79-31242-7). This system of accounts is mandatory for all EU Member States. The accounts are subject to audit by the European Court of auditors and Eurostat's GNI Committee to ensure reliability, comparability and exhaustiveness.
6. Gross Domestic Product (GDP) is an estimate of the value of goods and services at market prices produced in the economy over a period of time. The GDP is estimated at current prices using the production approach, aggregating the output of the various productive sectors net of the cost of intermediate inputs. The expenditure approach is reconciled with the production approach and is used to derive an estimate of GDP in volume terms, in other words, excluding the effects of price inflation on market prices. The income approach shows how GDP is distributed into compensation of employees, operating surplus of enterprises and taxes on production and imports net of subsidies.
7. Data in this news release should be considered as provisional for 2016 to date.

8. Data users must be aware that the industrial activities of General Government are spread over 21 different NACE categories (at A88 division) and include local councils and extra-budgetary units that are financially dependent on the Government. NACE 84 is the largest category and, in terms of gross value added, represents approximately 39.3 per cent of the General Government sector in 2020.
9. The ESA 2010 GNI Inventory provides a detailed explanation of sources and methods used for estimating GNI in Malta. It is the basis for the Eurostat assessment of the quality and exhaustiveness of GNI data and their compliance with ESA 2010 in the context of the GNI for own resources purposes. The Inventory is a reference document that is kept up-to-date to reflect the latest methodology in place. Complimentary to this inventory, process tables have been compiled for reference year 2010. Process tables enable users to understand the compilation process of national accounts and thus shows the transition from basic data sources to final balanced national accounts figures. The GNI Inventory and the process tables are available online: [http://nso.gov.mt/en/nso/Sources\\_and\\_Methods/Unit\\_A1/National\\_Accounts/Pages/Gross-Domestic-Product.aspx](http://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A1/National_Accounts/Pages/Gross-Domestic-Product.aspx)  
  
The GNI Inventory currently available on the NSO website describes the sources and methods of the ESA 2010 series as published in September 2014. The GNI Inventory will be updated with the methodological changes presented in this document in the upcoming year.
10. Data for 1995 to 2015 are available on the online version of news release 142/2020 in Excel format at: [https://nso.gov.mt/en/News\\_Releases/View\\_by\\_Unit/Unit\\_A1/National\\_Accounts/Pages/Gross-Domestic-Product.aspx](https://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_A1/National_Accounts/Pages/Gross-Domestic-Product.aspx)
11. Data for 2016 to date are available on the online version of this news release in Excel format at: [https://nso.gov.mt/en/News\\_Releases/View\\_by\\_Unit/Unit\\_A1/National\\_Accounts/Pages/Gross-Domestic-Product.aspx](https://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_A1/National_Accounts/Pages/Gross-Domestic-Product.aspx)
12. Further details are available from the NSO upon written request or from Eurostat's website: <http://ec.europa.eu/eurostat/data/database>
13. More information relating to this news release may be accessed at:

Statistical concepts: <https://metadata.nso.gov.mt/ConceptDetails.aspx?id=899>

Metadata: <https://metadata.nso.gov.mt/reports.aspx?id=1>

Classifications: <https://metadata.nso.gov.mt/classificationdetails.aspx?id=ESA%202010>

Statistical database: <https://statdb.nso.gov.mt/start>

**European statistics comparable to data in this news release are available at:**

[EUROSTAT Website/Homepage/Complete Database](https://ec.europa.eu/eurostat/Website/Homepage/Complete_Database)

Data Navigation Tree

>Database by themes

>Economy and finance

>National accounts (ESA 2010) (na10)

>Annual national accounts (nama\_10)

>Quarterly national accounts (namq\_10)

>Tables by themes

>Economy and finance

>National accounts (including GDP) (t na)

>Annual national accounts (t\_nama)

>Quarterly national accounts (t\_namq)

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