INDONESIA

GDP PRODUCTION & EXPENDITURE APPROACH

INTRODUCTION

GROSS DOMESTIC PRODUCTS

The core concept of the SNA is the GDP, or gross domestic products. It is the totality of all final goods and services produced in the system over the relevant time period, usually a year. GDP is expressed in purchasers' values and can be measured in three ways.

- **The production approach**: GDP is equal to total output minus total intermediate consumption (usually called total value added) plus taxes less subsidies on products not included in the value of output.
- The expenditure approach: GDP is equal to final consumption expenditure plus gross capital formation plus exports minus imports.
- The income approach: GDP is equal to compensation of employees plus taxes less subsidies on products plus operating surpluses plus imports.

GDP PRODUCTION

- COVERAGE
- DATA SOURCE
- METHODOLOGY
- RECONCILIATION AND REVISION POLICY
- DISSEMINATION

COVERAGE

The classification used in calculating Indonesia's GDP is disaggregated into 52 industries. The segregation based on International Standard for Industrial Classification (ISIC) revision 4 with adjusted by the Indonesian Standard Industrial Classification called Klasifikasi Baku Lapangan Usaha Indonesia (KBLI) 2009.

The 52 Industry Categories consists of:

A. Agriculture, Forestry, and Fishing
   1. CROP, ANIMAL PRODUCTION, HUNTING AND RELATED SERVICE ACTIVITIES
      A. FOOD CROPS
      B. HORTICULTURAL CROPS
      C. PLANTATION CROPS
      D. ANIMAL PRODUCTION
   2. FORESTRY AND LOGGING
   3. FISHING

B. Mining and Quarrying
   1. Extraction of crude petroleum, natural gas and geothermal
   2. Mining of coal and lignite
   3. Mining of iron ores
   4. Other mining and quarrying

C. Manufacturing
   1. Manufacture of coal products, oil and gas refineries
   2. Manufacture of food products and beverages
   3. Manufacture of tobacco products
   4. Manufacture of textiles and wearing apparel
   5. Manufacture of leather and related product
   6. Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
   7. Manufacture of paper and paper products; printing and reproduction of recorded media

8. Manufacture of chemicals, pharmaceuticals and botanical products
9. Manufacture of rubber and plastic products
10. Manufacture of other non-metallic mineral products
11. Manufacture of basic metals
12. Manufacture of fabricated metal products, except machinery and equipment; computer, electronic, optical products and electrical equipment
13. Manufacture of machinery and equipment
14. Manufacture of transport equipment
15. Manufacture of furniture
16. Other manufacturing; repair and installation of machinery and equipment

D. Electricity, Gas, Steam and Air Conditioning Supply
   1. Electricity
   2. Gas supply and production of ice

E. Water Supply, Sewerage, Waste Management and Remediation Activities

F. Construction

G. Wholesale and Retail Trade; Repair Of Motor Vehicles And Motorcycles
   1. Wholesale and retail trade and repair of motor vehicle and motorcycle
   2. Wholesale and retail trade, except of motor vehicles and motorcycles

H. Transportation and Storage
   1. Railways transport
   2. Land transport
   3. Sea and coastal water transport
   4. Inland water transport
   5. Air transport
   6. Warehousing and support activities for transportation; postal and courier activities

I. Accommodation and Food Service Activities
   1. Accommodation
   2. Food and beverage service activities

J. Information and Communication

K. Financial and Insurance Activities
   1. Financial intermediary services
   2. Insurance and pension fund
   3. Other financial services
   4. Financial support services

L. Real Estate Activities

M,N Business Activities

O. Public Administration and Defense, Compulsory Social Security

P. Education

Q. Human Health and Social Work Activities

R,S,T,U. Other Service Activities

DATA SOURCES

There data sources to compile GDP Production in Indonesia comes from:

a. Internal Data Sources: Census and Survey Data conducted by BPS-Statistics Indonesia

b. External Data Sources:

- Administrative data from line ministries/institutions, such as: Bank Indonesia (central bank of Indonesia), ministries of finance, etcetera.
- Administrative data from corporations/businesses, such as: electricity company, gas supplier company, etcetera.
- Business Associations, such as motorcycle association, motor vehicles association, cement manufacturers association, palm oil association, etcetera.

METHODOLOGY

- GDP at current prices is calculated using the production approach, which is the sum of the value added of goods and services produced by resident enterprises/establishments in the country within a certain period.
- GDP at constant prices is the sum of value-added for goods and services produced by resident enterprises/establishments in the country within a certain period. Several methods used to calculate GDP at constant prices:
  1. Revaluation Method

2. Extrapolation Method
3. Deflation Method

- GDP Production is defined as the sum of gross value added plus taxes on products minus subsidies on products.

RECONCILIATION AND REVISION POLICY

RECONCILIATION

The Reconciliation Process is conducted within the compilation period i.e., every quarter to reconcile estimates between GDP production vs. expenditure sides both at the national and sub-national levels.

REVISION POLICY

Revision is undertaken on the 4th quarter compilation period for two sets of annual series that published before they become final. The quarterly series revision policy as follows: for the 1st quarter compilation period there are no revision made, for the 2nd quarter compilation period we only revised 1st quarter estimates, for the 3rd quarter compilation period we revised 1st and 2nd quarters estimates, and for the 4th quarter compilation period we revised 1st until 3rd quarters estimates as well as 2 sets of annual series as mentioned before.

For the dissemination, the latest year's figures are marked as very preliminary and when published in the second year they are shown as preliminary.

DISSEMINATION

The GDP production is published on a quarterly and annual basis. For quarterly basis, GDP published 35 days after the end of quarter. For annual basis, GDP published 35 days until the end of year. GDP Production not only published in National Level but also in Subnational Level. Data will be release on BPS-Statistics website: www.bps.go.id.

GDP EXPENDITURE

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