

## What is GVA?

GVA (Gross Value Added) measures the contribution to the economy of each individual producer, industry or sector in the country. GVA allows for regional analysis and productivity comparisons to be made.

## What is GDP?

GDP (Gross Domestic Product) is a key indicator measuring the state of the whole economy. It is defined as the total value of all goods and services produced within a country. GDP is calculated by:  $GVA + \text{taxes on products} - \text{subsidies on products} = GDP$ .

## What are NUTS areas?

The European Union (previously European Community) established the Nomenclature of Territorial Units for Statistics (NUTS) more than 30 years ago. It is the geocode standard for referencing the administrative divisions of EU countries for statistical purposes. There are 3 levels of NUTS. NUTS 1 includes Scotland, Wales, Northern Ireland amongst others. NUTS 2 and 3 includes North Eastern Scotland as one area, which is Aberdeen City and Aberdeenshire.

## GVA Figures

In 2014, the GVA per head in Aberdeen City and Aberdeenshire was £37,460. This figure was published by the Office of National Statistics (ONS) in December 2015. The total GVA for North Eastern Scotland is shown in the table below.

	<b>GVA*</b> <b>£ million</b>	<b>Annual</b> <b>Change</b>
2001	8,916	+5.4%
2002	9,310	+4.4%
2003	9,574	+2.8%
2004	10,328	+7.9%
2005	11,129	+7.8%
2006	12,224	+9.8%
2007	12,735	+4.2%
2008	14,150	+11.1%
2009	13,884	-1.9%
2010	14,512	+4.5%
2011	15,476	+6.6%
2012	15,258	-1.4%
2013	17,573	+15.2%
2014	18,336	+3.9%

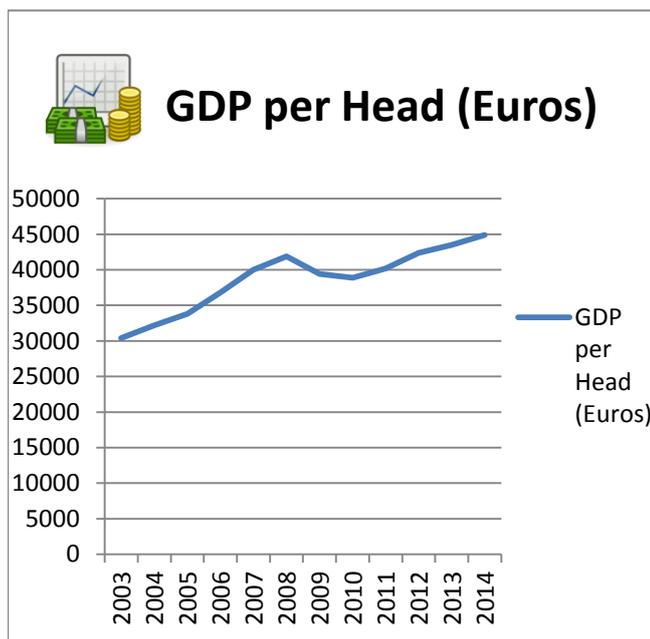
*Source: ONS \*GVA is quoted in current basic price*

Note – the next update is due in December 2016.

## GDP Figures

Short Description: GDP (gross domestic product) is an indicator of the output of a country or a region. It reflects the total value of all goods and services produced less the value of goods and services used for intermediate consumption in their production. Expressing GDP in PPS (purchasing power standards) eliminates differences in price levels between countries. Calculations on a per inhabitant basis allow for the comparison of economies and regions significantly different in absolute size. GDP per inhabitant in PPS is the key variable for determining the eligibility of NUTS 2 regions in the framework of the European Union's structural policy.

GDP information is taken from Eurostat. The data contained within the graph provides the GDP per head figure (in euros), for North Eastern Scotland (NUTS2).



The above graph shows that the GDP was steadily rising until 2008 when it peaked. After 2008 it fell and didn't reach the same level until 2012, when it surpassed 2008. Since 2012 it is steadily increasing and in 2014 the GDP per head was 44,900 Euros.

## Sources of Information

There are two main sources that provide information on GVA and GDP. The Office of National Statistics provide information for the UK broken down by NUTS areas. Eurostat also provide information for the NUTS areas for the whole of the European Union.

The Scottish Government also provide information on GDP for the whole of Scotland within the Scottish Annual Business Statistics.

## Methodology

The Scottish Government provide further detailed information on how GDP and GVA are calculated on their website:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Economy/GDP>

Similarly ONS also provide information on their methodology:

<http://www.ons.gov.uk/economy/grossdomesticproductgdp/topicspecificmethodology>

Eurostats methodology can be found here:

<http://ec.europa.eu/eurostat/web/national-accounts/methodology>

All of these websites were correct at October 2016.

Further publications by the Research and Information team can be found on our site [www.aberdeencity.gov.uk/statsandfacts](http://www.aberdeencity.gov.uk/statsandfacts). We welcome your feedback on our publications – you can complete our feedback survey here: <https://www.surveymonkey.com/s/research-feedback-form>.