



DEPARTMENT OF STATISTICS (STAT)

Address: Government Administration Building
Soualuiga Road #1, Pond Island
Philipsburg, St. Maarten
Email: statinfo@sintmaartengov.org

Press Release

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Real growth down by 6.6% in 2018

The Department of Statistics estimates that the real Gross Domestic Product (GDP) as measured by the GDP in constant prices, dropped by 6.6% in 2018, a deceleration in comparison with the 2017 real GDP estimate which recorded a decrease of 5.8%. Real GDP decreased from ANG 2,117 million in 2017 to ANG 1,977 million in 2018.

The decrease in economic activity, as measured by the gross value added by industry in constant prices, was mainly caused by declines in the gross value added of major industries such as 'accommodation and food service activities', 'real estate activities' and 'transportation and storage'.

The 'accommodation and food service activities' industry recorded a decrease in economic activity of approximately 26%; gross value added for this industry decreased from approximately ANG 139 million to ANG 103 million. Similarly, economic activity in the 'real estate activities' industry decreased by 15% with the gross value added dropping from approximately ANG 258 million to ANG 219 million. Moreover, the gross value added of the 'transportation and storage' industry dropped from ANG 224 million to ANG 194 million; a decrease of ANG 30 million or 13%.

These developments are related to the huge drop in the number of stayover visitors from roughly 402,000 in 2017 to 178,000 in 2018. Furthermore, although the number of cruise

visitors increased from 1.2 million in 2017 to 1.6 million in 2018, an increase of 29%, it was insufficient to offset the effects of the decline in the number of stayover visitors.

The largest increase in gross value added for 2018 compared to 2017 was recorded for the 'construction' industry. The gross value added for this industry grew from ANG 150 million to ANG 170 million, an increase of approximately 14% or ANG 20 million. Additionally, the industry 'professional, scientific and technical activities' had the second largest increase in gross value added for 2018. The gross value added in that industry grew from ANG 50 million to ANG 55 million.

Analysis of the GDP by expenditure in constant prices shows that the 6.6% decline in real GDP was mainly the result of a decrease in exports from ANG 1,857 million in 2017 to ANG 1,592 million in 2018, a decrease of 14%. This development is also related to the decline in the number and corresponding expenditures of stay-over visitors. Gross capital formation increased from ANG 504 million in 2017 to ANG 686 million in 2018, an increase of approximately 36%. Imports and final consumption expenditure grew by 8% and 5%, respectively.

It is worthwhile to mention that in 2019 the department undertook and completed an extensive exercise in regards to the System of National Accounts (SNA) compilation. The exercise involved the implementation of the fourth revision of the International Standard Industrial Classification of All Economic Activities (ISIC Rev. 4) which is the latest version of this framework. This implementation was vital as STAT has been moving towards the implementation of the System of National Accounts 2008 framework which makes use of the ISIC 4 classification (as opposed to the ISIC 3 classification that was being used).

In addition to the ISIC 4 implementation, the department completed the rebasing of the GDP series from base year 2011 to 2014 using improved methodologies. The rebasing of the GDP series means that real GDP will now be expressed in 2014 prices (the new base year) instead of 2011 prices, as was the case previously.

Both the ISIC 4 implementation and the GDP rebasing exercise resulted in a greater alignment with the latest SNA methodological standards (SNA 2008) and has therefore led to improvements in coverage, data sources and methodology which ultimately results in more robust national accounts data for Sint Maarten. Note also that the published tables are in constant prices for both the production and expenditure approach.

Please note that 2018 figures are preliminary and are subject to revision once the data from the recently completed National Accounts Survey has been processed. This survey seeks to capture final financial data for 2018 (based on final financial statements) and estimates for 2019 from businesses and organizations. Final figures for 2018 and estimates for 2019 will be published in the fourth quarter of 2020.

TABLE 1
Gross Domestic Product (GDP) by Sector and Industry, St.Maarten (mln ANG)

	2014	2015	2016	2017	2018
<i>UN SNA Table 2.2 Value added by industries at constant prices (ISIC Rev.4)</i>					
Non-Financial Corporations and Establishments					
A+B	1	1	1	1	1
C	9	10	11	12	12
D	54	56	57	47	39
E	23	25	28	27	25
F	157	140	139	150	170
G	292	269	251	237	243
H	213	243	255	224	194
I	190	180	175	139	103
J	128	123	111	97	93
L	215	238	256	258	219
M	46	45	50	50	55
N	53	57	55	45	42
P	109	129	127	134	112
Q	60	67	74	80	77
R	95	77	81	60	49
S	53	50	49	52	48
T	9	9	9	9	9
Gross Value Added, constant market prices	1,706	1,719	1,728	1,623	1,493
Financial Corporations					
K	142	140	150	129	130
Gross Value Added, constant market prices	142	140	150	129	130
Government					
O	236	227	220	225	224
Gross Value Added, constant market prices	236	227	220	225	224
Total Gross Value Added, constant market prices	2,084	2,086	2,098	1,977	1,847
Taxes less subsidies on products	180	181	182	171	160
minus financial intermediation indirectly measured	35	30	33	31	30
Gross Domestic Product, constant market prices	2,229	2,237	2,247	2,117	1,977
Real GDP growth (%)		0.4	0.5	-5.8	-6.6

TABLE 2
Gross Domestic Product by Expenditure, St.Maarten (mln ANG)

	2014	2015	2016	2017	2018
<i>UN SNA Table 1.1 & 1.2</i>					
<i>Gross domestic product by expenditures at current prices and constant prices</i>					
GDP by Expenditure, current market prices (mln ANG)	2,229	2,243	2,262	2,133	2,122
Final consumption expenditure	1,799	1,702	1,759	1,789	2,050
Gross Capital Formation	523	388	436	516	851
Exports of merchandise and services	2,241	2,185	2,092	1,670	1,432
Imports of merchandise and services	2,334	2,031	2,026	1,842	2,212
GDP by Expenditure, constant market prices 2014=100 (mln ANG)	2,229	2,237	2,247	2,117	1,977
Final consumption expenditure	1,799	1,626	1,666	1,705	1,794
Gross Capital Formation	523	496	477	504	686
Exports of merchandise and services	2,241	2,228	2,236	1,857	1,592
Imports of merchandise and services	2,334	2,114	2,132	1,948	2,096
GDP by Expenditure, real growth (%)		0.4	0.5	-5.8	-6.6
Final consumption expenditure		-9.6	2.4	2.3	5.3
Gross Capital Formation		-5.1	-4.0	5.8	36.1
Exports of merchandise and services		-0.6	0.4	-17.0	-14.2
Imports of merchandise and services		-9.4	0.8	-8.6	7.6