



Statistics Sierra Leone

2011 Annual Economic Survey

Economic Statistics Division

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This report is another milestone in the effort of Statistics Sierra Leone to provide quality and timely information for the management of the Sierra Leone economy. It contains useful information for policy-makers, investors and the general public.

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Finally, we are very grateful to the Government of Sierra Leone for funding the exercise.

Mohamed King-Koroma
Acting Statistician General

ABBREVIATIONS

AES	Annual Economic survey
BSL	Bank of Sierra Leone
COE	Compensation of Employees
GGDO	Government Gold and Diamond Office
GDP	Gross Domestic Product
GVA	Gross Value Added
ISPs	Internet Service Providers
NPA	National Power Authority
ISIC-Rev.3.1	International Standard Industrial Classification Revision 3.1
SNA93	System of National Accounts 1993
SSL	Statistics Sierra Leone

EXECUTIVE SUMMARY

The 2011 Annual Economic survey (AES) was conducted on the backdrop of a strong recovery from the impact of the devastating global financial and economic crisis of 2009; and was designed to capture information about the economy, which could be used to assess the performance of the economy in 2010. The survey provided information used to estimate the Gross Domestic Product (GDP) and other economic aggregates for 2010 and projection for 2011. This survey report is intended to provide additional information used to answer specific questions on employment, expenditure, revenue, capital expenditure and changes in stocks, which are not normally reported in the National Accounts but essential for a better understanding of the dynamics of the economy. The establishment survey covers economic activities that are of significance to the Sierra Leone economy. In all, ten (10) sectors of the economy were covered in the survey namely, trade, other business services, manufacturing; construction, communication, finance (foreign exchange bureau), Air travel agencies, shipping agencies and insurance. The basic information collected on establishments includes the number of persons engaged, compensation of employees, sales value of goods produced and purchased for resale, inventory and capital expenditure. This annual economic survey was conducted under the Statistics Act 2002, which does not only makes it mandatory for all business establishments operating in Sierra Leone to submit returns to Statistics Sierra Leone with the relevant statistical information, but also stipulates that the content of individual returns received would be kept confidential and used only for statistical purposes.

The survey covered business establishments operating in the Four Regional Cities of Freetown, Bo, Kenema and Makeni. These four cities together constitute over 65% of businesses operating in this country. Agriculture, which contributes about 45% of GDP, was not covered in this survey. Also not covered in this survey are Mining & Quarrying and formal commercial banks, electricity, water and gas industries. For these industries, we rely on administrative data supplied to Statistics Sierra Leone by the various stakeholders such as the Ministry of Agriculture Forestry and Food Security for Agriculture data; the Bank of Sierra Leone (BSL) for commercial banks, Government Gold and Diamond Office (GGDO) for data on mining; the National Power Authority (NPA) for electricity data; and so on.

The main objective of the Survey is to provide annual estimates for the compilation of national accounts aggregates such as the GDP, as well as for analyzing the structure and performance of the business sector in Sierra Leone. It is intended to estimate the contribution of the business sector to GDP, as well as to monitor the development in the various sub-sectors. The Survey is aimed at providing information necessary to inform economic policy.

The Business Register served as the frame for the selection of establishments for the survey. The sampling design for the survey was based on stratified random sampling by industry and other relevant variables such as the size of employment. Firstly, establishments in the Business Register were categorized by industry; then all those establishments with a large employment size of 50 and above employees (including proprietors and working partners) were selected with certainty (take-all stratum). A simple random sample was then drawn from the remaining establishments with less than 50 employees. In this way, the survey

captured all large establishments operating in the country as well as a significant number of small-medium scale establishments some of which are informal.

From a total of 9018 establishments operating in the country, 446 establishments were statistically selected for the survey. The survey covered 74 larger establishments, and 372 small-medium-scale establishments. Although the statistical unit in the survey is the establishment, sampling was done at enterprise level. Once the enterprise was selected for inclusion, all the branches/divisions were automatically included, except in the event the branch(s) kept separate books of accounts. Given the nature and scope of the subject matter, a self-completed questionnaire was deemed to be the best way of collecting information. With a business audience in mind, the length of the questionnaire was limited to allow completion in less than forty five minutes. The questionnaire was designed to capture various information ranging from basic information about the business, size of employment, revenue, wages, salaries, operating cost, to capital expenditure and business environment. Although the survey was conducted in 2011, it sought to obtain information about the 2010 fiscal year, with projections for 2011.

The 2011 Survey targeted 446 establishments; of this number of establishments, 61% were in Freetown alone. Out of the 446 establishments targeted, 352 (78.9%) establishments were successfully interviewed. The non-responses (21.1%) were largely due to closure or not found cases as well as outright refusal to provide the relevant information. Since, these survey data are estimated based on information obtained from survey questionnaires sent to all large establishments and to a sample of small establishments in the business register, weights were developed to reflect the national position of establishments operating in Sierra Leone. The weights were further adjusted to reflect the short fall in the sample; that is, to accounts for non-responses as well as to blow the sample estimates to national estimates. The industrial classification was used as the primary survey-sampling unit; as a result sampling weights were developed at industry level.

Limitation

When comparing the results of the survey with National Accounts estimates, one should note that there are methodological differences between the survey estimates and those for the same sector incorporated in the final National Accounts estimates particularly as it relates to the estimation of Gross Value Added. In National Accounts compilation, the recommendations of the System of National Accounts 1993 (SNA93) are followed; and administrative data are also included in the estimation of GDP. Also the regular National Accounts aggregates include the estimates of informal activities for the different sectors. These estimates are lacking in the current survey estimates that have been made. Informal activities in Sierra Leone cover a wide range of economic activities and therefore contribute greatly to national output.

Key Findings

- The result shows that the trade industry, wholesale or retail trade businesses, accounts for the highest percentages (76.8%) of business establishments in Sierra Leone. The share of manufacturing and other businesses services establishments was 10.60 and 7.10 percents respectively. The high proportion of establishments operating in the trade sector underscores the fact that the Sierra Leone economy is mainly a distributive economy relying mainly on imports for commerce, with devastating consequences on the depreciation of the national currency.
- The data shown that the trade industry employed the largest part of the labour force (48.5% of total employees), with females contributing 20% of the employed in 2010.
- In 2009, the participation of females in trading was 15.4%; while in 2010 it was 9.5%.
- In the opinion of most business establishments' owners and managers interviewed, Sierra Leone business environment is fairly good but they experienced lower demand for their products in 2010 compared with 2009. About 34% of all business establishments in 2010 had higher demand for their products which shows a decrease as compared to 37% in 2009, which could be due to the double digit inflation experienced through 2010.
- Within industry, establishments in the Air Travel Agencies, Communication, Insurance and Shipping Agencies (72.2%, 60%, 90.0% and 60.0% respectively) all experienced higher demand for their services in 2010 compared to 2009. The increase in demand for services in these sectors is due to the regularization of import taxes, Government policy towards Insurance, wider network coverage by telephone companies and the Political Stability that prevails in the Country. Other sectors that experienced significant decreases in the demand for their goods and services in 2010 compared with 2009 includes: Bureaus (71.4%), Construction (54.3%) and Hotels & Restaurant (50.9%).The decrease in demand in 2010 as compared to 2009 may be due to the rise in the price of input materials use in construction as well as the prevailing global financial crisis that is still affecting the economies of most developing countries.
- When asked about the use of the Public Phone, out of 9018 businesses, only 34.2% of the respondents said they use telephone landlines in their business communications; whereas 98.8% of respondents use mobile phones for business communication in 2010 compared with 84.4% in 2009. Only 1.2 % of business establishments in the country reported that they do not use mobile phone at all for business communication. However, Only 34% of the businesses said they have access to internet in 2010 compared with 26% in 2010
- Although majority of the establishments (apart from the Northern Region) are connected to the national electricity grid, 78% of respondents are not satisfied with the hours of electricity being provided in 2010 compared with 65.4% in 2009, which underlines the gap between what NPA is able to supply and demand for electricity as a business input.

CHAPTER 1: INTRODUCTION

1.0 Introduction

Sierra Leone has continued to enjoy robust economic growth, notwithstanding the negative impact of the 2008/09 financial and economic crisis. Although the crisis affected the growth prospects of the country, the economy grew by 5.4% in 2008 and 3.2% in 2009, which were above the 3.4% and 2.3% growth rates for the entire African continent for 2008 and 2009 respectively. The economy started re-bouncing back from the crisis in 2010. Real GDP grew by 5.3 percent in 2010 and 6.3 percent in 2011, largely on account of growth in agriculture, mining, manufacturing, and construction and service sectors. The exchange rate has stabilized after depreciating by 28 percent in 2009, although inflation shot back to double digits in 2010 and 2011 due to food and engine price increases in the global market.

With a population of a little over 5.8 million and with huge deposits of minerals, Sierra Leone has been described as a country of great potentials for growth and development. The discovery and commencement of mining of iron ore in the North, has added new impetus to the government development effort as the economy is projected to grow by 28% in real terms in 2012 on account of the export of this ore, which started in 2011.

However, the key challenges for the country in 2012 would be the stabilization of prices in the face of huge capital projects financed from limited domestic resources and the reduction of unemployment, especially among the youth. The issue of unemployment has been a concern for the Government for quite some time now, and a lot of programmes were on the way to address this situation including the establishment of the Youth Commission.

The 2011 Annual Economic survey (AES) was designed to capture information about the economy, which was used to assess the performance of the economy in 2010. The survey provided information used to estimate the Gross Domestic Product (GDP) and other economic aggregates for 2010 and projections for 2011. This survey report is intended to provide additional information used to answer specific questions on employment, expenditure, revenue, capital expenditure changes in stocks, etc not normally reported in the National Accounts but essential to a better understanding of the dynamics of the economy. The establishment survey covers economic activities that are of significance to the Sierra Leone economy, namely, trade, other business services, manufacturing; construction, communication, finance and insurance. The basic information collected on establishments includes the number of persons engaged, compensation of employees, sales value of goods produced and purchased for resale, inventory and capital expenditure.

1.1 Objective of the Survey

The main objective of the Survey is to provide annual estimates for the compilation of national accounts aggregates such as the GDP, as well as for analyzing the structure and performance of the business sector in Sierra Leone. It is intended to estimate the contribution of the business sector to GDP, as well as to monitor the development in the various sub-sectors. The Survey is aimed at providing information necessary to inform economic policy formulation and management.

The specific objectives of the survey include the following:

- To assess the employment situation in the business sector
- To estimate the turnover of establishments
- To Examining the wage bill of establishments
- To estimate the profit margin of establishments
- To provide information for estimating the Gross Value Added and hence GDP of the industries
- To assess the business and ICT environment in Sierra Leone

CHAPTER 2: THE SURVEY METHODOLOGY

2.0 Coverage (Geographic, Establishment and Content)

Establishments in Sierra Leone are classified according to the International Standard Industrial Classification Revision 3 (ISIC-Rev.3.1), which is based on the economic activities they undertake. This classification is important since it facilitates comparison with other countries. The survey covered business establishments operating in the Four Regional Cities of Freetown, Bo, Kenema and Makeni. These four cities together constitute over 65% of businesses operating in this country. Data was collected on a variety of issues such as employment, operating expenses including payroll and fringe benefits; non-operating expenses, sales revenue; capital expenditure and business environment.

In all, ten (10) sectors of the economy were covered in the survey. The sectors covered in the survey are shown in Table 2.1:

Table 2.1: Industry coverage: ISIC-Rev.3.1 Codes for 10 Industries

No	Industry	Code
1	Air Transport	6304-6309
2	Bureaus (Other Financial Institutions)	6519
3	Communication	6412-6420
4	Construction	4520-4540
5	Hotels & Restaurants	5510-5520
6	Insurance	6601-6720
7	Manufacturing	1520-3691
8	Other Business Services	7130-7530
9	Shipping Agencies	6023-6120
10	Trading	5010-5260

Agriculture, which contributes about 45% of GDP, was not covered in this survey. Also not covered in this survey are Mining & Quarrying and formal commercial banks, electricity, water and gas industries. For these industries, we rely on administrative data supplied to Statistics Sierra Leone by the various stakeholders such as the Ministry of Agriculture Forestry and Food Security for Agriculture data; the Bank of Sierra Leone (BSL) for commercial banks, Government Diamond and Gold Office (GDGO) for data on mining; the National Power Authority (NPA) for electricity data; and so on.

2.1 Sampling Design

The Business Register served as the frame for the selection of establishments for the survey. The Register was developed based on the information captured in the Census of Business Establishments conducted in 2005; and it has since been updated annually using administrative lists of establishments.

The sampling design for the survey was based on stratified random sampling by industry and other relevant variables such as the size of employment. Firstly, establishments in the Business Register were categorized by industry; then all those establishments with a large employment size of 50 and above employees (including proprietors and working partners) were selected with certainty (take-all stratum). A simple random sample was then drawn from the remaining establishments with less

than 50 employees. In this way, the survey captured all large establishments operating in the country as well as a significant number of small-medium scale establishments some of which are informal.

2.1.1 Classification of Establishments

There is no internationally accepted criterion for classifying establishments into micro, small, medium or large establishments; which means that the classification varies from country to country, organization to organization and even from survey to survey depending on the nature of the objectives being pursued. However, a number of criteria have been used to define SMEs. The commonly used yardsticks are total number of employees, total investment and sales turnover. For instance, the number of employees, invested capital, total amount of assets, sales volume and production capability and profit have all, one way or the other, been used to classify establishments. However, Statistics Sierra Leone is using employment size to classify establishments as indicated in the Census of Business Establishments Report (2005), which classified establishments as follows:

Petty Enterprise1-4 employees
Small Scale Establishment.....5-19 employees
Medium Scale Establishment20-49 employees
Large Scale establishment..... 50 and above employees

Apparently, all those establishments that engage less than 50 workers are classified as micro (petty), small to medium scale enterprises (SMEs). The concept of defining SMEs is further complicated when there is need to clearly distinguish between formal and informal economic activities. The latter is believed to be playing a significant role in the economy. Small and Medium scale enterprise (SMEs) are an important part of private sector in Sierra Leone.

2.1.2 Sample Size

From a total of 9018 establishments operating in the country, 446 establishments were statistically selected for the survey. The 446 sample size was distributed among the 10 industries covered in the survey as shown in Table 2.2.2 using their respective shares in the total number of persons engaged obtained in the business register as well as prior knowledge of the economy to permit analysis at the industry level. The final distribution is shown in Table 2.2.2.

Table 2.2.2: Sample Distribution

Industry	Population of Establishments	No. of Large Establishment (50+ workers)	No. Sampled (<50) Workers	Total Sample
Air Transport	18	1	12	13
Bureaus (Other Financial Institutions)	35	0	17	17
Communication	10	6	2	8
Construction	70	8	27	36
Hotels & Restaurants	337	10	60	70
Insurance	10	5	5	10
Manufacturing	960	11	67	78
Other Business Services	636	19	68	87
Shipping Agencies	15	3	7	10
Trading	6927	11	107	117
Total	9018	74	372	446

Those large establishments with at least 50 employees were selected with certainty, while the systematic random sampling techniques were used to select from those establishments with less than 50 employees.

The survey covered 74 larger establishments, and 372 small-medium-scale establishments as seen in Table 2.2.2. Purposive sampling technique was also used in the allocation of sample sizes presented in Table 2.2.2 (column 5), taking into consideration the features of the economy and the number of establishments in each industry. So for industries such as Communication and Insurance where the population of establishments was very small, all the establishments in these industries were included in the sample.

Although the statistical unit in the survey is the establishment, sampling was done at enterprise level. Once the enterprise was selected for inclusion, all the branches/divisions were automatically included, except in the event the branch(s) kept separate books of accounts.

2.1.3 The Questionnaire

Given the nature and scope of the subject matter, a self-completed questionnaire was deemed to be the best way of collecting information. With a business audience in mind, the length of the questionnaire was limited to allow completion in less than forty five minutes. The questionnaire was designed to capture various information ranging from basic information about the business, size of employment, revenue, wages, salaries, operating cost, to capital expenditure and business environment. Although the survey was conducted in 2010, it sought to obtain information about the 2010 fiscal year, with projections for 2011.

2.2 Data Collection

This annual economic survey was conducted under the Statistics Act 2002, which makes it mandatory for all business establishments operating in Sierra Leone to submit returns to Statistics Sierra Leone with the relevant statistical information. The Act also stipulates that the content of individual returns received would be kept confidential and used only for statistical purposes. An invitation letter signed by the Statistician General of SSL was enclosed with all questionnaires to encourage business owners/executives to provide the relevant data relating to their businesses and to assure them of the confidentiality of the data collected.

There were a total of 16 Enumerators that were deployed to Bo, Kenema, Makeni and Freetown data collection centers to carry out the data collection exercise under the supervision of 6 Supervisors, 2 National Coordinators and one Survey Director. Data was collected for a period of six weeks starting from July, 2011 and referred to actual figures (in million Leones) for the fiscal year 2010, with projections for 2011. However, 2011 projection figures were not included in this report due to the incompleteness of the data provided for some sectors.

2.3 Quality Control

The National Coordinators of the Survey as well as the Survey Director monitored the data collection exercise on a daily basis in Freetown as well as in the Provinces through telephone and other means to assist Enumerators to do their work effectively and diligently. In addition visits were made to some establishments in Freetown and in the Provinces to validate the data collected in each of these centers.

2.4 Sample Achieved

The 2011 Survey targeted 446 establishments; of this number of establishments, 61% were in Freetown alone. Out of the 446 establishments targeted, 352 (78.9%) establishments were successfully interviewed. The non-responses (21.1%) were largely due to closure or not found cases as well as outright refusal to provide the relevant information.

2.5 Data Processing

The Data Processing Division of Statistics Sierra Leone undertook the computer processing of survey questionnaires. The information in completed questionnaires was manually scrutinized, edited and coded before sending them for entry. Computer editing was also done as a way of validating the data. The data entry process lasted for about three weeks.

2.6 Sample Weights

Since, these survey data are estimated based on information obtained from survey questionnaires sent to all large establishments and to a sample of small establishments in the business register, weights were developed to reflect the national position of establishments operating in Sierra Leone. The weights were further adjusted to reflect the short fall in the sample; that is, to accounts for non-responses as well as to blow the sample estimates to national estimates. The industrial

classification was used as the primary survey-sampling unit; as a result sampling weights were developed at industry level.

2.7 Limitations of Survey Estimates

When comparing the results of the survey with National Accounts estimates, one should note that there are methodological differences between the survey estimates and those for the same sector incorporated in the final National Accounts estimates particularly as it relates to the estimation of Gross Value Added. In National Accounts compilation, the recommendations of the System of National Accounts 1993 (SNA93) are followed; and administrative data are also included in the estimation of GDP. Also the regular National Accounts aggregates include the estimates of informal activities for the different sectors. These estimates are lacking in the current survey estimates that have been made. Informal activities in Sierra Leone cover a wide range of economic activities and therefore contribute greatly to national output.

CHAPTER 3: PRESENTATION OF RESULTS

3.0 Presentation Of Results

The annual economic survey results presented here give an analysis of the structure of the business sector of the economy, providing basic information on employment, location of establishments, revenue, wages and expenditure of businesses operating in the country. It provides a vivid picture of the general business climate in the country. This chapter presents and discusses the results of the survey for the 2008 fiscal year; the data is presented in tables and charts/figures.

3.1 Concepts and Definition of Terms

The Annual Economic Survey is an establishment-based survey, which means that establishments are technically the respondents of the survey. However, since establishments are owned and run by persons, the respondents of this survey are essentially business owners/executives or in their absence, any designated worker/employee who is knowledgeable about the affairs of the business. Therefore, the information obtained in survey and presented in this report relates to establishments operating in the various sectors of the economy included in the survey. This section gives a brief description of technical terms used in this report.

3.1.1 Statistical Unit

The statistical unit is the entity for which data is being gathered. For the 2010 Annual Economic Survey, the establishment was used as the statistical unit which was defined as a business or organization unit engaged in one activity and operating in a single location. Thus, a multi-activity firm or organization (otherwise known as the enterprise) with several units engaged in separate activities in the same location constitutes distinct establishments. Similarly, each branch of a multi-branch organization at a different location is conceptually a different establishment. So the reporting unit, the entity from which the data were gathered, may or may not have been the enterprise. However, the survey covered the lowest level of a business unit for which separate records are kept for such details as revenue, expenses and employment.

The distinction between the statistical unit and the reporting unit is particularly relevant in the context of the survey since many enterprises do keep consolidated accounts of all its units or branches. Thus, if in practice, the accounts of an enterprise are centrally kept such that it is not possible to obtain separate data for each individual unit or branch; the enterprise was treated as a single reporting unit and allowed to submit a consolidated return covering all units or branches. The use of both the enterprise and the establishment as reporting units for the 2009 Annual Economic Survey was decided upon after considering the number and the importance of multi-activity unit enterprises that keep consolidated accounts of their branches as recorded in the Business Register.

3.1.2 Definition of Other Terms

Kind of Activity: This referred to the specific activity the business was undertaking. The kind of activity characteristic was the principal variable, which determined the ISIC code of the establishment. For establishments engaged in more than one activity, the main or principal activity was used to classify the enterprise.

Number of Paid Employees (Total Employment): This included persons working in the establishment and receiving pay, as well as persons working away from the establishment who were paid by and under the control of the establishment (excluding home workers). These included all workers whether part-time, on paid sick leave or on training.

Other Workers: These included all Working Proprietors, Partners and Executive Directors only receiving a dividend or share of profit as payment as well as the unpaid (family) workers and apprentices; but excluded voluntary workers.

Number of working proprietors: These were defined as all individual proprietors and partners who were actively engaged in the work of the establishment, excluding silent or inactive partners, whose principal activity was outside of the establishment. This category was not applicable to any incorporated or similar enterprise the ownership of which is represented by holding of equity shares.

Number of unpaid family workers: Unpaid family workers referred to persons who lived with the proprietor of the unit and worked regularly for the unit, irrespective of the number of hours worked during the reference period, but did not have a contract of service and did not receive a fixed sum for the work they performed. Unpaid family workers who at the same time were in paid employment with another unit as their principal occupation were not considered as employed in the concerned unit. On the other hand, family workers who receive pay for the work performed and were not in paid employment with another unit, as their principal occupation were classified as employees.

Number of Persons Engaged: This was defined as the total of paid employees and other workers of the business. The following categories of workers were included:

- Unpaid business partners;
- Unpaid family workers;
- Persons working outside the unit who belonged to it (e.g. sales representatives, delivery personnel, repair and maintenance teams) provided that they received a regular salary from that unit;
- Persons on short-term leave (sick leave, annual leave or vacation);
- Persons on special paid leave (educational or training leave, maternity or parental leave);
- Persons on strike;
- Part-time workers on the payroll;
- Seasonal workers on the payroll;
- Apprentices on the payroll;
- Home workers on the payroll, paid for the work done

Wages and Salaries: These included wages and salaries and supplementary benefits in cash as well as in kind.

Total revenue: is income that a company receives from its normal business activities, usually from the sale of goods and services to customers; it is also referred to as turnover. This is income received from activities of a particular corporation, company, partnership, or sole-proprietorship.

For some businesses, such as manufacturing and/or grocery, most revenue is from the sale of goods. Service businesses such as law firms and barber shops receive most of their revenue from rendering services. Lending businesses such as car rentals and banks receive most of their revenue from fees and interest generated by lending assets to other organizations or individuals. Revenues from a business's primary activities are reported as sales, sales revenue or net sales. Other revenue (or non-operating revenue) is revenue from peripheral (non-core) operations.

Expenditure: is an outflow of money to another person or group to pay for an item or service, or for a category of costs. An expense is a cost that is "paid" or "remitted", usually in exchange for something of value. Something that seems to cost a great deal is "expensive".

Stock/Inventories: These comprised the value of all stocks owned by the company and held by or under the control of the establishment. Excluded were materials owned by others but held by the establishment for processing. Stocks acquired from others were valued at 'purchaser's prices'. (Book values were acceptable).

3.2 Basic Characteristics

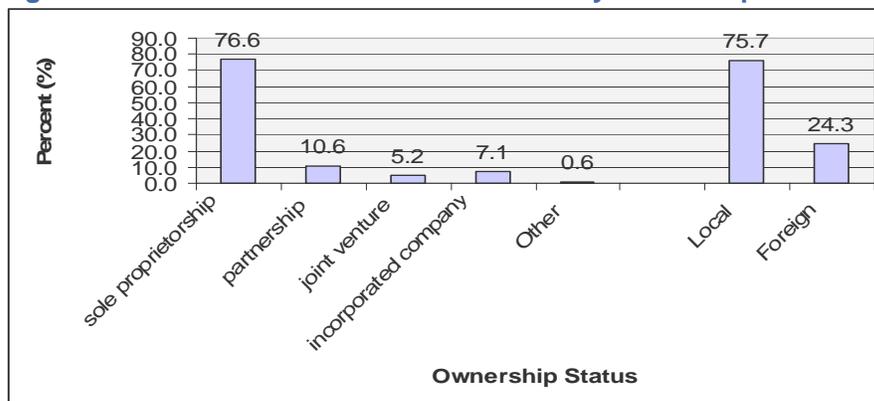
This section presents basic information of establishments obtained in the survey. Such information includes organizational structure, regional distribution, and industrial distribution of businesses operating in the country.

3.3 3.2.1 Organizational Structure by Ownership

The survey results were tabulated by industry, ownership and region. Industry responses were placed in ten categories of the industries covered in the Survey. Establishments were also classified by ownership and by the region in which they were located. The survey results showed that the estimated total number of establishment in the ten sectors targeted operating in the country was 9,018.

Figure 3.2.1 below shows the percentage distribution of establishments classified by type of ownership.

Figure 3.2.1: Distribution of Establishments by Ownership



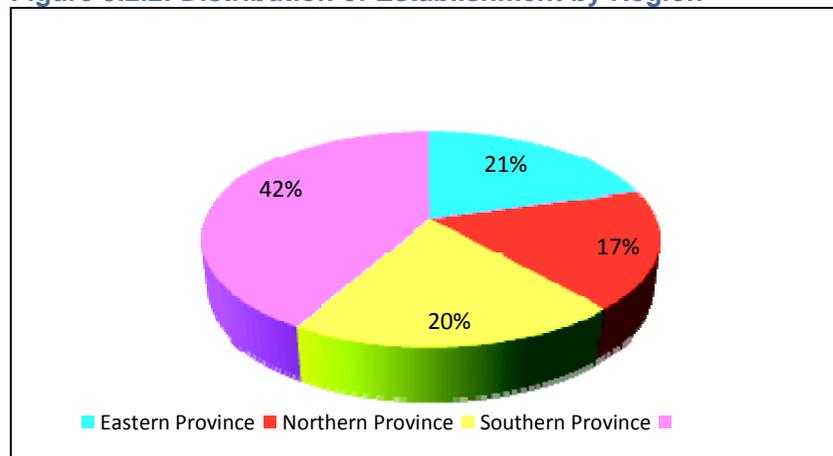
As shown in Figure 3.2.1, there were considerably more Sole Proprietorships (76.6 percent) than Partnerships (10.6 percent), Incorporated Companies (7.1 percent) and other (0.6 percent). These results underline the small scale nature of business operations in the country and the informal

nature of the economy which may be due to the unavailability of well-established capital market in the country from which large scales capital can be raise to support the formation of incorporated businesses. In terms of residence status, 75.7% of establishments are owned by domestic residents with at least 51 shares (or capital) owned by residents, while only 24.3% of establishments are owned by foreign residents (with at least 51% of the shares or capital). This information is important when estimating foreign direct investment, as much of foreign capital constitutes foreign direct investment (FDI)

3.4 Regional Distribution of Establishment

Figure 3.2.2 below shows the regional distribution of the estimated 9018 establishments in the ten sectors surveyed. Based on the survey results, it was estimated that 41.8 percent (about 3,766) of all establishments in the ten sectors surveyed were located in the Western Area compared to 20.9 percent (1,885) in the Eastern province, 19.8 percent (1,783) in the Southern Province and 17.6 percent (1,583) in the Northern Province. With the exception of Western Area which has the highest number of establishments, there were an almost even number of establishments in the ten sectors across the other three regions. The relatively large number of establishments in the Western Area may be due to the fact that Western Area includes Freetown, the capital city which provides better incentives for business activities.

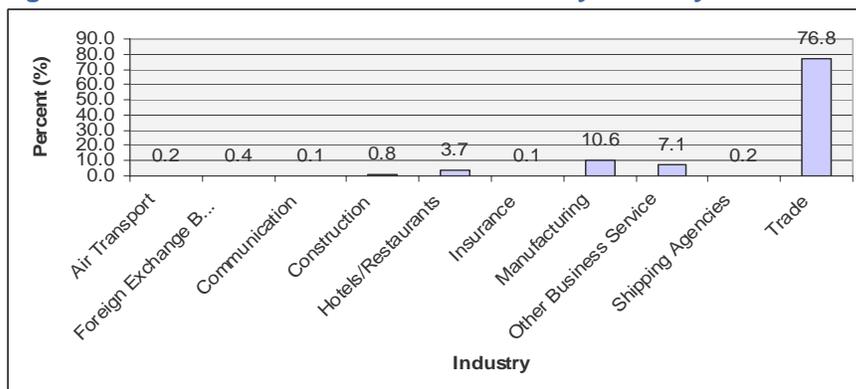
Figure 3.2.2: Distribution of Establishment by Region



3.5 Distribution of Establishments by Industry

Figure 3.2.3 below shows the distribution of Establishments by Industry. The result shows that in trade industry, wholesale or retail trade businesses account for the highest percentages (76.8 percent) of business establishments in Sierra Leone. The share of manufacturing and other businesses services establishments was 10.6 percent and 7.1 percent respectively. These results were not different from the previous survey results. The proportion of Manufacturing and Construction type establishments remain relatively small which indicates that investment in Sierra Leone is yet to come up to the level of generating adequate employment opportunities (especially for the youths) in these sectors and improving on the availability of Manufacturing and Construction services which are key to real sector growth.

Figure 3.2.3: Distribution of Establishment by Industry



The high proportion of establishments operating in the trade sector underscores the fact that the Sierra Leone economy is mainly a distributive economy relying mainly on imports for commerce, with devastating consequences on the import bill and hence on the depreciation of the national currency.

3.6 Operating Characteristics

The survey collected information on the operating characteristics of business establishments such as employment, compensation of employees, expenditure and revenue, which are important indicators of business output and performance.

3.7 Employment Characteristics

Figure 3.3.1 shows the percentage distribution of employees by Sex and Sector. The data shown in Table 3.3.1 shows that the distribution network of goods and service employed the largest part of the labour force (48.5% of total employees) since out of the 139,369 persons employed in 2010, 67,576 were employed in the Trade Sector. In 2009, out of 129,362 persons employed, 71,555 were employed in the trade sector. In each of the years, the employment figures show strong female participation in trading activities; although the proportion in the Trade Industry dropped from 15.1% in 2009 to 9.5% in 2010; this suggests that many of the female operating in the trade industry are either owners of petty trading businesses or work in trading establishments as unpaid (family) workers; and therefore not counted as paid workers.

Table 3.3.1: Distribution of employees by Sex and Sector

Industrial Sector	2009			2010		
	Total Employed	No. of Females	% of Females	Total Employed	Female Employees	% of Females
Air Transport	216	76	35.2	257	105	40.8
Foreign Exchange Bureau	287	70	24.4	189	32	16.9
Communication	3,334	506	15.2	3462	434	12.5
Construction	4,283	545	12.7	4963	409	8.2
Hotels/Restaurants	7,305	2,494	34.1	8838	2622	29.7
Insurance	1,019	340	33.4	1429	185	12.9
Manufacturing	16,470	1,860	11.3	17383	1566	9.0
Other Business Service	21,742	2,214	10.2	33007	16145	48.9
Shipping Agencies	3,152	167	5.3	2266	143	6.3
Trade	71,555	10,783	15.1	67576	6437	9.5
Total	129,362	19,055	14.7	139,369	28077	20.1

Compared with 2009, in 2010 the percentage of females in employment is greater in Air Travel Agencies (40.8%) and in other business services (48.9%); Shipping industry also recorded increase in the proportion female workers in the industry in 2010. On the other hand the proportion of female employees in the construction decline from 12.7% in 2009 to 8.2%, which could be attributed to the labour-intensive nature of the industry.

3.8 Compensation of Employees (COE)

Compensation of employees (COE) is a term used in national accounts, balance of payments statistics and sometimes in corporate accounts as well. It refers basically to the total gross (pre-tax) wages paid by employers to employees for work done in an accounting period, such as a week, month, quarter or a year. Compensation of employees is accounted for on an accrual basis; i.e., it is measured by the value of the remuneration in cash or in kind which an employee becomes entitled to receive from an employer in respect of work done, during the relevant accounting period - whether paid in advance, simultaneously, or in arrears of the work being done. The COE data is shown in Table 3.3.2.

Table 3.3.2: Compensation of Employees (CEO) by Industry (billion Leones)

Industry	Compensation of Employees, 2009	Compensation of Employees, 2010	COE/Exp Ratio, 2009	COE/Exp Ratio, 2010
Air Transport	9.24	13	65.3	73.8
Bureau	8,000.00	7,900	41.5	28.4
Communication	800.00	8,050	22.3	44.2
Construction	800.00	923	5.4	3.0
Hotels & Restaurants	2,000.00	2,380	59.9	43.9
Insurance	2,000.00	3,120	15.8	15.4
Manufacturing	1,000.00	10,380	35.5	29.3
Other Business Services	100.00	176	30.3	26.0
Shipping Agencies	10.00	15	25.2	34.6
Trade	50,000.00	72,600	12.5	12.1
Total	64,719.24	105,557	14.2	14.3

Table 3.3.2 shows that the COE was Le 105,557 billion in 2010 and Le 64,719.24 billion in 2009. In terms of percentage of total expenditures, Air Travel Agencies spent 73.8% (in 2010) and 65.3% (in 2009) of total expenditures on compensation of employees, compared with construction industry which spent 3.0% (in 2010) and 5.4% (in 2009) of expenditures on COE. Overall, 14.3% of expenditure of industries in 2010 was on wages and salaries; and it is clear that the proportion of expenditure spent on COE did not increase significantly in 2010 compared with 2009, which could suggest ploughing-back of profit into the business as the business environment improved.

The data also show although trade industry has the largest workforce, it has one of the least proportion of COE/Expenditure ratio of 12.1% in 2010 and 12.5% in 2009. This could be an indication of the low level of salaries paid to workers of the trade industry compared to other sectors.

3.3.1 Total Revenue and Total Expenditure

The Annual Economic Survey also collected data on the revenue and expenditure flows of the establishments; and the result is shown in Table 3.3.3.

Table 3.3.3 below shows the survey results on total revenue and expenditure in billion Leones by businesses across the ten industries surveyed. For 2010, total revenue amounted to Le 965,203 billion compared to Le 589,899.33 billion in 2009. There data shows a visible increase in the revenue of establishments across industries, which supports the fact the economy recovered in 2010 from the financial crisis. This shows that the effect of the financial crisis was not strong enough in 2010 to dampen growth prospects.

Table 3.3.3: Total Revenue and Expenditure by Sector (billion Leones)

Industry	Total Revenue	Total Revenue	Total Expenditure	Total Expenditure	Exp/Rev Ratio	Exp/Rev Ratio
	2009	2010	2009	2010	2009	2010
Air Transport	11.27	120	14.14	17	125.5	14.5
Foreign Exchange Bureau	30,000.00	38,300	19,255.45	27,800	64.2	72.6
Communication	6,723.11	9,800	3,588.93	18,200	53.4	185.7
Construction	20,000.00	25,700	14,747.79	30,900	73.7	120.2
Hotels Restaurants	2,580.06	3,480	3,340.27	5,420	129.5	155.7
Insurance	10,000.00	17,600	12,649.68	20,200	126.5	114.8
Manufacturing	20,000.00	42,400	2,813.43	35,400	14.1	83.5
Other Business Services	563.65	764	330.26	677	58.6	88.6
Shipping Agencies	21.24	39	39.61	44	186.5	112.8
Trade	500,000.00	827,000	400,000.00	602,000	80	72.8
Total	589,899.33	965,203	456,779.56	740,659	77.4	76.7

Similarly, the data in Table 3.3.3 shows that there was a visible increase in total expenditure of establishments across the industries in 2010. Total expenditure increased from Le 740,659 billion in 2010 to Le 456779.56 billion in 2009. Table 3.3.3 also shows that communication, construction, Shipping Agencies, hotel & restaurant, insurance and air traveling agencies spent significantly more than the revenue generated for 2009, which essential means that the industries made a loss in 2009. The increased inflation in 2010 could be responsible for this loss recorded.

3.4 Gross Operating Surplus Characteristics

Operating surplus equals gross revenue less operating total expenses incurred during the course of producing the output. The report estimated operating surplus of establishments, and the results are shown in Table 3.4.

Table 3.4: Gross Operating Surplus (billion Leones)

Industrial Sector	Gross Operating Surplus (GOS), 2009	Gross Operating Surplus (GOS), 2010
Air Transport	(2.88)	103
Foreign Exchange Bureau	10,744.55	10,500
Communication	3,134.18	(8,400)
Construction	5,252.21	(5,200)
Hotels/Restaurants	(760.21)	(1,940)
Insurance	(2,649.68)	(2,600)
Manufacturing	17,186.57	7,000
Other Business Services	233.39	87
Shipping Agencies	(18.37)	(5)
Trading	100,000.00	225,000
Total	133,119.77	224,545

Although there was an improvement in the overall operating surplus of the ten sectors from Le 133,119.77 billion in 2009 to Le 224,545 in 2010, the data in Table 3.4 also show that communication, construction, shipping agencies, insurance and hotel & restaurant all registered a negative operating surplus in 2010. This decline in operating surplus in this sector could be due to the double digit inflation recorded in 2010, which raised the cost of production.

3.5 Changes in Inventory and Capital Expenditure

Inventories are the value of goods kept in store as stock; this includes the value of unused inputs, the value of unsold goods and the value of work-in-progress. Inventories also include the changes in the value of valuable assets of the business. Change in inventories is estimated as the difference between the closing stock and the opening stock. Capital expenditure, on the other hand, is expenditure on acquiring capital goods—goods used to produce other goods, which have a lifespan of one or more years. Table 3.5 below shows the value of inventories and capital expenditures of the ten industries surveyed.

Table 3.5: Changes in Inventory and Capital Expenditure (billion Leones)

Industry Code	2010	2010
	Change in Inventory	Capital Expenditure
Air Travelling Agencies	-	0.17
Bureaus (Other Fin. Inst.)	-	0.02
Communication	-	519.00
Construction	-	32.00
Hotels %& Restaurants	-32.50	21.00
Insurance	-	91.30
Manufacturing	27.00	182.00
Other Business Services	-	3.17
Shipping Agencies	-	0.11
Trade	4,300.00	6810.00
Total	4,294.496	7,658.77

Table 3.5 shows that a positive net of Le 4,294 billion accounted for as inventories in 2010 compared with Le 9,629.57 billion in 2009. The drop in inventories accumulation could show a increased demand.

CHAPTER 4: BUSINESS ENVIRONMENT AND INFORMATION COMMUNICATION TECHNOLOGY (ICT)

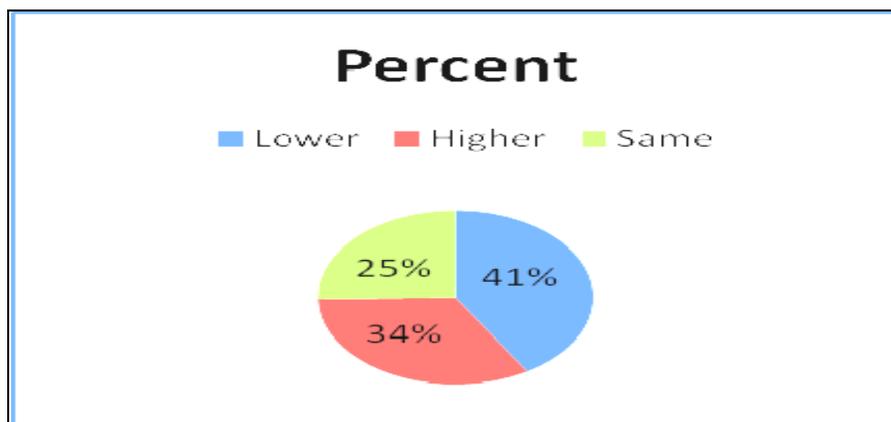
4.0 Introduction

This section of the report will mainly look at the business environment in Sierra Leone whether it is favorable as well as provide essential information for both local and foreign investors, donor organization, business researchers and the general public for investment decision making especially for those that intend to go into business. Understanding and responding to the factors influencing investment decisions as well as favorable business climate with available facilities and services is vital for business expansion in any economy, which may subsequently lead to increase in the level of investment and growth, hence private sector development. Information and Communication Technology (ICT) is an increasingly powerful tool for participating in global markets and has attracted increase demand for products of many establishments in recent years. Factors that are responsible for the high or low level of business expansion in the country will be highlighted in this chapter and solutions recommended.

4.1 Demand Situation for Year 2010 Compared with Year 2009

In a competitive business environment, almost all business establishments would like to increase their market share with a view to improve revenue generation. Therefore, demand situation is an important aspect that determines a firm's profitability and whether the firm will remain in business or go out of business. The survey seeks to know the opinion of business owners and managers with regards the demand for their products in the current year as compared to the previous year. From the survey result shown in Figure 4.1 below, the demand situation for a number of business establishments in Sierra Leone was not encouraging and decreased in 2010. About 34% of all business establishments in 2010 had higher demand for their products which shows a decrease as compared to 37% in 2009. In addition, about 41% of business establishments had lower demand for their products in 2010 as compared to 36% in 2009. However, about 25% of business owners said that the demand situation for their products in 2010 remain the same which is lower than the 27% in 2009.

Figure 4.1: Pie Chart Showing Percentage of Demand Situation in 2010 Compared with 2009 Nationwide



The fall in the demand for goods and services in 2010 as compare to 2009 could be attributed to the increase in the Market price of food and non-food items due to the prevailing global financial crisis that has affected the economies of most developing countries as well as low income earnings.

4.1.1 Demand Situation for Year 2010 Compared with Year 2009 by Sector

The demand situation for goods and services in 2010 compared with 2009 is analyzed by sector in order to determine the sectors in which businesses are flourishing from those sectors in which businesses are slow for policy interventions as well as to assist both local and foreign investors in deciding which sector to invest in the economy. Table 4.1.1 below shows the demand situation in 2010 compared with 2009 by sector of industry.

Table 4.1.1: Percentage distribution of the demand situation in 2010 compared with 2009 by sector

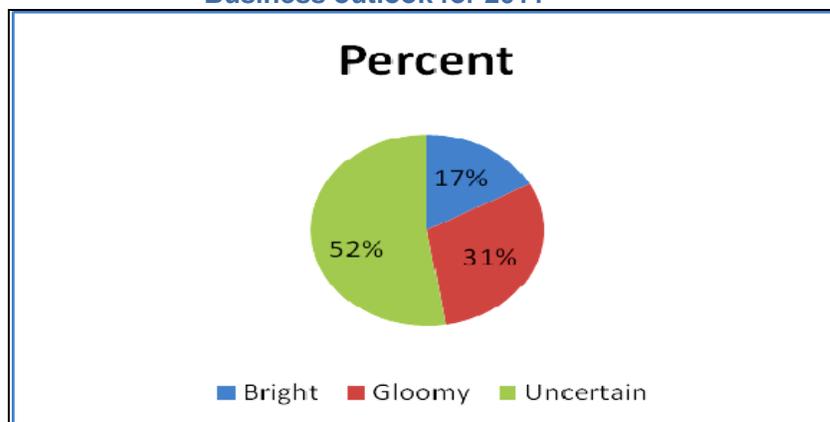
Sector of Industry	Demand situation in 2010 compared with 2009			Number
	Lower %	Higher %	Same %	
Air traveling Agencies	27.8	72.2	0.0	18
Bureaus	71.4	28.6	0.0	35
Communication	40.0	60.0	0.0	10
Construction	54.3	22.9	22.8	70
Hotels %& Restaurants	50.9	33.9	15.2	337
Insurance	10.0	90.0	0.0	10
Manufacturing	35.4	30.7	33.9	960
Other Business Services	35.9	35.9	28.2	636
Shipping Agencies	40.0	60.0	0.0	15
Trade	41.9	33.4	25.7	6927
Total	41.3	33.4	25.3	9018

The survey result in Table 4.1.1 above, gives the respondents self assessment of their demand situation both in number and percentage terms for 2010 compared to 2009. Within industry, establishments in the Air Travel Agencies, Communication, Insurance and Shipping Agencies (72.2%, 60%, 90.0% and 60.0% respectively) all experienced higher demand for their services in 2010 compared to 2009. The increase in demand for services in these sectors is due to the regularization of import taxes, Government policy towards Insurance, wider network coverage by telephone companies and the Political Stability that prevails in the Country. Other sectors that experienced significant decreases in the demand for their goods and services in 2010 compared with 2009 includes: Bureaus (71.4%), Construction (54.3%) and Hotels & Restaurant (50.9%).The decrease in demand in 2010 as compared to 2009 may be due to the rise in the price of input materials use in construction as well as the prevailing global financial crisis that is still affecting the economies of most developing countries.

4.2 Business Outlook for 2011

The business outlook considered in this study is the respondents' self assessment of their business growth prospects in terms of increase sales and profitability for 2011, since the aim of every business is profit maximization. Business prospects therefore referred to their forecast for increase sales and profitability. Respondents were asked to rate their prospects as bright, gloomy or uncertain. From the survey result indicated in figure 4.2.1 below, 52% of business establishments in Sierra Leone were said to be uncertain about their business prospects in 2011, which was higher than 33% in 2010.

Figure 4.2.1: Pie Chart Showing Percentage Distribution of Business outlook for 2011



From Figure 4.2.1 above, about 31% of business establishments rated their prospects as gloomy while 17% said their prospects were bright for 2011, which was lower than 26% for 2010. The high level of doubt expressed by respondents over the growth of their businesses could be attributed to the present economic situation in the country such as increase in domestic prices, high cost of living, low income earnings which will result to low demand for goods and services in the economy. Another reason for the high degree of uncertainty could be that of the expansionary fiscal measures adopted by Government in order to increase revenue generation in the economy, couple with global financial crises that was still affecting developing economies in 2010.

4.2.1 Business Outlook for 2011 by Sector

The study also seeks to know which of the sectors that has more prospects for growth in terms of increase sales and profitability in 2011 than the other sectors. The survey result in Table 4.2.1 shows the business outlook in 2011 by sector. As indicated in table 4.2.1 below, it can be clearly seen that business establishments in some of the sectors: Trade (73.9%), Other Business Service (10.0%), Manufacturing (11.5%), said their business outlook was uncertain for 2011. However, there were a small percentage of business establishments like trade (81.0%) and manufacturing (9.6%) that were somehow optimistic about their business prospect in 2011 rating it as bright with trade more outstanding.

Table 4.2.1: Business Outlook for 2011 by Sector

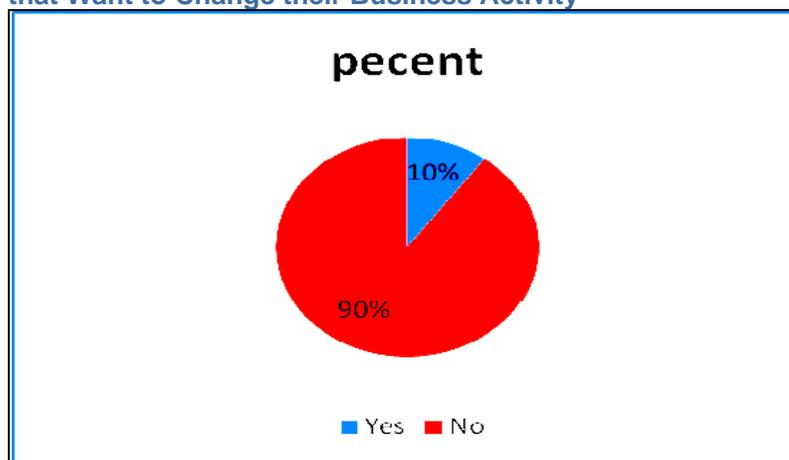
Sector of Industry	Business Outlook for 2011			Total
	Gloomy %	Bright %	Uncertain %	
Air traveling Agencies	0.1	0.3	0.2	18
Bureaus	0.7	0.4	0.3	36
Communication	0.3	0.2	0.0	10
Construction	4.1	0.1	0.1	70
Hotels %& Restaurants	3.7	3.7	3.7	337
Insurance	0.1	0.3	0.0	10
Manufacturing	9.7	9.6	11.5	960
Other Business Services	3.2	4.1	10.0	636
Shipping Agencies	0.14	0.08	0.27	15
Trade	78.2	81.0	73.9	6927
Total	40.9	26.5	32.6	9018

From Table 4.2.1 above, some of the business establishments such as Insurance, Bureaus, Construction, Air travel Agencies, etc were uncertain about their growth prospects in 2011 or where very pessimist about any such prospects.

4.2.2 Change in Business Activity by Sector

It is also important to know whether business people would like to continue doing the same business or would like to engage in another form of business in a different sector. Hence, business establishments' owners and managers were asked whether they were willing to change their current business. As shown in Figure 4.2.2 below, there is an increase in the number of business establishments (about 10%) that expressed their willingness to change their business activities in 2010 compared with 7% in 2009, while majority of the business establishments, about (90%) did not want to change their current line of business.

Figure 4.2.2: Pie Chart Showing Proportion of Respondents that Want to Change their Business Activity



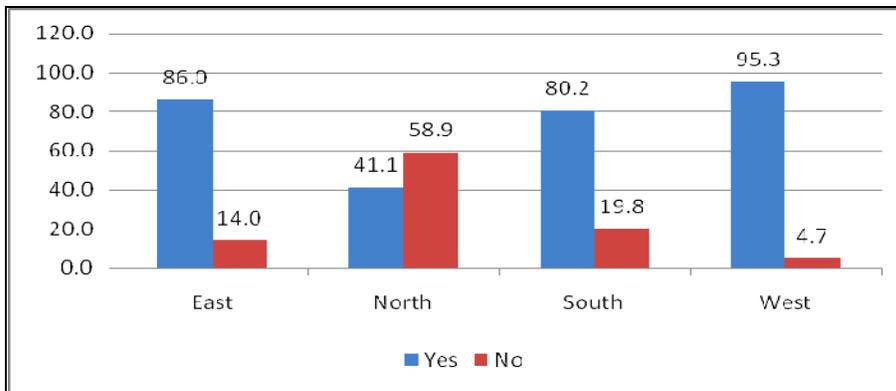
Among the prominent reasons given by business establishments that wanted to change their business activities were; low sales, too many running cost, low profit and exchange rate problems.

4.3 Source of Electricity Supply

The availability of electricity is one of the key factors that determine the setting up of an establishment in most of the industries as it will reduce the cost of production, thereby attracting local and foreign investment into particular sectors of the economy. Hence, this study also considered the business connectivity to public power supply. The connectivity to public power supply of businesses by region is shown in figure 4.3.1 below. The graph clearly shows that Northern region still continue to be the worse region in terms of the availability of public power supply to business establishments, although the number of establishments connected to public power supply has increased significantly in 2010 compared to 2009. The North now has about 58.9% of business establishments not connected to public power supply in 2010, which is lower than the 95.3% in 2009. In addition, about 41.1% of establishments operating in the north had access to electricity supply in 2010, compared with only 4.7% in 2009 through the use of private sources rather than public power supply. All the other three regions: East (86.0%), South (80.2%) and West (95.3%) have a large proportion of business establishments connected to public power supply. Only about 14.0% of business establishments in the East, 4.7% in the West and 19.8% in

South are not connected to public power supply. The low percentages of business establishments not having access to electricity in East and Western regions is an indication that there has been an improvement in the generation of electricity by both the BKPS and NPA.

Figure 4.3.1: Distribution of Firms Connected to Public Power System by Region



Average consumption of electricity increased in all towns from 8 hours per day in 2009 to about 12 hours per day in 2010.

Figure 4.3.2: The average number of hours enjoyed by establishments Per day in 2010 compared to 2011 classified by region

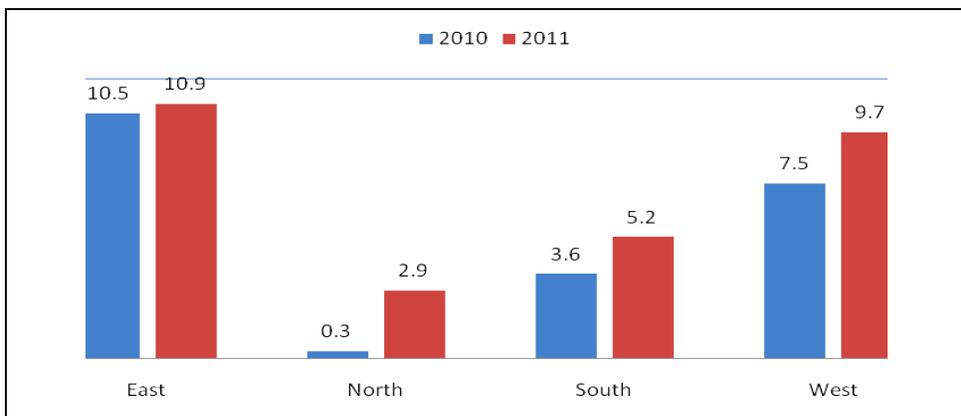


Figure 4.3.2 above shows the Average number of hours that business establishments receive electricity supply by region. There was an increases in electricity supplied to business establishments in all the four (4) regions in 2011 compared to 2010: Western area it increases from (7.5 to 9.7) hours per day, South from (3.6 to 5.2) hours, North from (0.3 to 2.9) hours and marginally in the East from (10.5 to 10.9) hours during the same period. This shows that there is an improvement in both the generation and distribution of electricity in the country.

Table 4.3.2: Average Number of Hours Firms Enjoy Electricity by Sector

Sector of Industry	Average no of hours firm enjoys electricity 2010	Average no of hours firm enjoys electricity 2011
Air Traveling Agencies	8.6	9.5
Bureaus (Other Fin Inst.)	5.0	9.7
Communication	8.4	9.8
Construction	5.0	6.0
Hotels %& Restaurants	7.7	7.7
Insurance	7.0	9.2
Manufacturing	5.3	5.4
Other Business Services	4.6	5.2
Shipping Agencies	9.5	8.7
Trade	6.4	8.1
Total	6.1	7.5

Table 4.3.2 above shows further analysis of the average number of hours business establishments receive electricity supply by sector. It is clear from table 4.3.2 that business establishments in all the sectors receive increase in electricity supply in 2011 compared with 2010 except for Shipping Agencies that recorded an average decrease from 9.5 hours in 2010 to 8.7 hours in 2011. Hotels and Restaurant and Manufacturing are the sectors that received the lowest number of hours increase in electricity supply in 2011 compared to the other sectors. Communication sector received the highest number of hours of electricity supply per day(9.8 hours),followed by Bureaus(9.7 hours) and Air Travel Agencies sector(9.5 hours). Even though there is improvement in the electricity supply in almost all the sectors in 2011, yet none of the sectors receive up to10 hours of electricity supply per day in 2011. The increase in the electricity supply enjoyed by establishments in most of the sectors may be as a result of the government’s prioritizing the energy sector in the Agenda for change by implementing a lot of energy programs in order to ensure a stable supply of electricity in the country.

Figure 4.3.3: Adequacy of the hours of electricity supplied

The survey asked whether or not the hours of electricity supplied by the national grid were adequate for business operations; the results are shown in Figure 3.3.3.

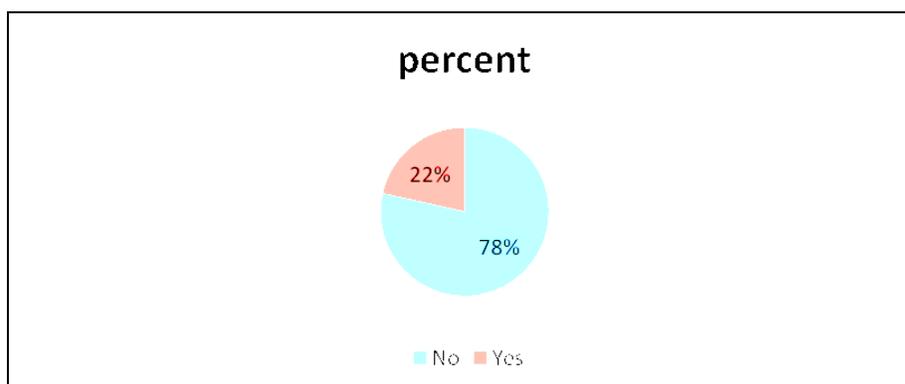


Figure 4.3.3 above shows that only 22% of respondents agreed that the hours of electricity received from the national grid were adequate, while about 78% of the respondents said that electricity supply in 2010 was inadequate, compared to 65.5% in 2009. This means that there is still a problem with the distribution of electricity rather than the generation of electricity. The results underline the fact that although there is now appreciable electricity supplied in the country, yet the amount of electricity provided was considered inadequate for commercially viable business operations. This could mean

that the electricity provided is targeting mainly household consumers and not business establishment. There is widespread complaint about the erratic nature of the power supply among business people, including providing electricity at odd times such as in the middle of the night.

Table 4.3.3: Desired hours of electricity by sector

The survey asked business people about the desired hours of electricity to carry out their business operations; the results are shown in Table 4.3.3.

Industry	Average (hrs)	Maximum (hrs)
Air Traveling Agencies	8	24
Bureaus (Other Fin. Inst.)	10	24
Communication	18	24
Construction	9	24
Hotels %& Restaurants	23	24
Insurance	10	24
Manufacturing	12	24
Other Business Services	19	24
Shipping Agencies	10	24
Trade	12	24
Total	13	24

Table 3.3.3 shows that business people desired on average 13 hours of electricity to carry out their operations, of course 24 hours is the most desirable. By industry, Hotel & Restaurants (23 hours), communication (18 hours), other business services (19 hours), manufacturing (12 hours), insurance (10 hours) and bureaus (10 hours) are the number of hours of electricity desire by establishments. Business establishments in the hotel & restaurants sector expressed the highest desire for electricity supply from the national power authority to carry out their operations which mostly 24 hours for the hotel.

4.4 Communication

Information about the use of Public (Fixed Line) Phone and Mobile Phone as important tools of communication for business establishments was also investigated in this study. The use of telephones especially mobile phones has helped most business establishments to increase their market size thereby increasing the volume of sales for their products. When asked about the use of the Public Phone, out of 9018 businesses, about 34.2% of the respondents said they use telephone landlines in their business communications while 65.8% said they do not use any landlines. Further analysis by region shows that Western region has the highest percentage of business establishments (81.3%) that uses telephone landlines in their business communication compared with other regions. Table 4.4 below shows the proportion of establishments that use land phones compared to mobile phones classified by region. Mobile phone use is more common in all regions than the use of landlines for business communication. About 98.8% of respondents said they use mobile phones for business communication in 2010, which was higher than 84.4% in 2009. However, about 1.2% of business establishments in the country reported that they do not use mobile phone at all for business communication. There were various reasons given by businesses for their use of the mobile phone. The main reason advanced for the widely use of the mobile phone among others includes: the availability, reliability and convenience of mobile phone than regular phone (Landlines).

Table 4.4: Proportion of Establishments that use Land Phones Compared to Mobile Phones

Region	Use Public Telephone		Use Mobile Phone		Number of establishments
	Yes	No	Yes	No	
Eastern	10.1	26.5	21.0	14.4	1885
Northern	0.0	26.7	17.6	15.4	1583
Southern	8.6	25.6	20.0	0.0	1784
Western	81.3	21.2	41.4	70.2	3766
Total	3086	5932	8914	104	9018

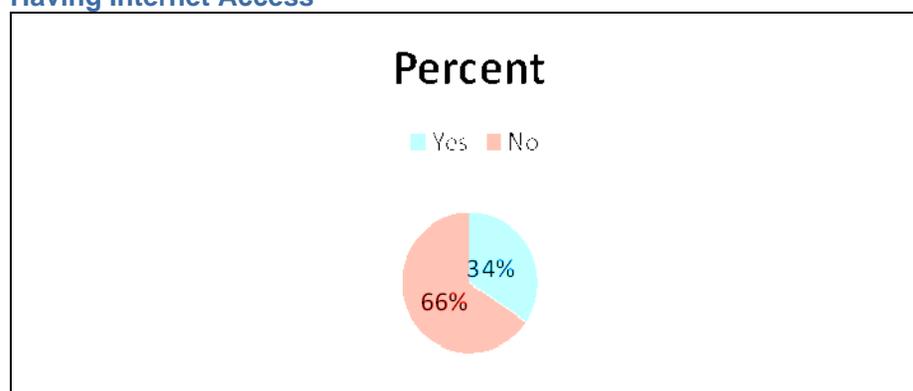
4.5 Access and Use of Internet Facilities

In a modernized competitive business environment, access to the Internet and its use is essential especially in the area of research & development through which innovations and other important information about similar products and establishments within the same industry will be obtained.

Most business establishments all over the world now engages in advertisement and sale of their products through the internet as a way of increasing their market size, hence profit margin. It is therefore the most widely acceptable way of transacting business in most countries in the world.

From the survey result in Figure 4.5 below, there has been an increase in the number of business establishments (34%) that have access and uses internet in 2010 compared to 26% in 2009. Although there are still a large proportion of businesses (66%) that do not have access to internet in 2010, but is lower than 74% in 2009 that do not had access to internet. Perhaps the reasons for the increase in the Internet use by businesses could be attributed to the increased number of internet service providers (ISP), coupled with stable electricity supply as well as the benefits businesses derived from using internet.

Figure 4.5: Pie Chart Showing Percentage Distributions of Firms Having Internet Access



The use of internet was further analyzed by region and the results are shown in table 4.5.1

Table 4.5.1: Business Access to Internet Classified By Region

Region	Have Access to Internet	No Access to Internet	No
Eastern	14.2	24.4	1885
Northern	3.4	25.0	1584
Southern	3.7	28.2	1784
Western	78.7	24.4	3765
Total	3099	5919	9018

As shown in table 4.5.1 above, the use of the Internet is gradually spreading to other parts of the regions, although it is highly concentrated in the Western region. The number of business establishments in 2010 that had access to internet in the North is 3.4% which is higher than 0.2% in 2009, East is 14.2% in 2010 compared to 13.2% in 2009 and south is 3.7% in 2010 compared to 3.4% in 2009. Not surprisingly, majority of the business establishments about 78.7% that have access to internet in 2010 are concentrated in the western area. The reason for the large number of business establishments that have access to internet facility in the western region could be attributed to the network coverage, availability of other facilities as well as the large businesses in terms of size and capital concentrated in the Western region.

Further analysis of having access to internet facility by industry (see table 4.5.2 below) shows that Trade sectors have the highest Internet access (79.3%), followed by Manufacturing (8.6%), Hotels & Restaurants (4.1%) while very few of the businesses in the other sectors had access to Internet. Trade, Manufacturing and other business services sectors has the highest number of business establishments that do not have access to internet facility.

Table 4.5.2: Distribution of Business access to Internet by Sector

Industry	Have Access to Internet	No Access to Internet	No
Air Transportation	0.6	0.0	18
Bureau	0.9	0.1	35
Communication	0.3	0.0	10
Construction	2.3	0.0	71
Hotels and Restaurants	4.1	3.6	337
Insurance	0.3	0.0	10
Manufacturing	8.6	11.7	960
Other Business Services	3.2	9.1	636
Shipping agencies	0.5	0.0	15
Trade	79.3	75.5	6927
Total	3100	5918	9018

4.6 The First Main Use of Internet by Businesses

Business owners and managers were asked to give the main reason for which they use Internet in their establishments. Table 4.5.3 below shows the various ways in which business establishments' uses internet facility.

Table 4.6.1: The First Main Use of Internet by Businesses

	East	North	South	West	Total
E-mail	14.0	4.2	4.4	77.3	80.9
E-learning (learning over the Internet)	0.0	0.0	0.0	100	1.9
E-commerce (buying or selling or enquiring over the internet)	1.1	0.0	0.0	98.9	9.2
Advertising	0.0	0.0	0.0	100	0.2
Research	35.6	0.0	0.0	64.4	6.7
Other Internet Services	0.0	0.0	0.0	100	1.1
Number	425	105	110	2424	3064

From the survey result in table 4.5.3 above, the main reason giving by majority of the business establishments for the use of internet facility is to communicate by e-mail. Notwithstanding, there were increases in the number of establishments that uses internet for research, e-learning and other internet services in 2010 compared to 2009. The total number of establishments with access to Internet facility was 3064, of this, 80.9% said they use Internet mainly for e-mail communication. It is however surprising to note that the number of establishments that uses internet for advertisement drop from 3.9% in 2009 to 0.2% in 2010. While that of research and e-learning increases from 0.2% and 0.8% in 2009 to 6.7% and 1.9% in 2010 respectively. Although the use of internet services is highly concentrated in the western region but some of the establishments are now using internet for other purposes apart from email. It is also clear that more Internet Service Providers (ISPs) are required in the other regions.

4.7 Average Number of Computers by Industry

The survey asked questions about the use of computers-desktops and captors in the business place. The computers were only counted if they were in working condition. The results are shown in Table 4.6.

Table 4.7.1: Average Number of Computers by Industry

Industry	Desktop	Laptop
Air Transportation	7	2
Bureau	3	1
Communication	62	29
Construction	1	1
Hotels and Restaurants	1	1
Insurance	28	11
Manufacturing	1	1
Other Business Services	3	0
Shipping Agencies	4	3
Trade	1	1
Total	1	1

The survey results show that communication and insurance industries are the major users of computers at the business place. The average number of desktops per establishment in the communication industry is 62 and in the insurance industry the average number of desktops is 28 desktops. Laptop use is mainly in the communication industry. The results also show that manufacturing and trading establishments were the least users of desktops and laptops in the country, which underline the informal status of the industries in carrying out their operations.

APPENDIX - GDP ESTIMATE

Gross Domestic Product at Current Prices (in Millions Leones) by Sector					
	2008	2009	2010	2011 (Provisional)	2012 (Projection)
1. Agriculture, Forestry and Fishing	3,954,213	4,591,100	5,429,597	6,956,959	8,414,953
1.1 Crops	2,615,745	3,133,423	3,508,077	4,295,966	5,117,882
1.1.1 Rice	1,166,414	1,451,411	1,607,426	1,975,071	2,546,356
1.1.2 Fruits & Vegetable	323,085	361,644	436,477	529,950	579,802
1.1.3 Cassava	382,575	466,829	542,114	665,472	717,480
1.1.4 Ground Nut	442,019	496,507	506,282	617,072	690,610
1.1.5 Maze	106,003	124,345	151,863	196,204	220,643
1.1.6 Sweet Potato	35,424	39,816	40,261	57,019	63,841
1.1.7 Other crops	160,225	192,870	223,654	255,178	299,149
1.2 Livestock	185,182	204,849	294,397	373,838	463,846
1.3 Forestry	522,114	611,512	705,201	998,641	1,259,105
1.4 Fishery	631,171	641,315	921,922	1,288,514	1,574,120
2. Industry	586,862	547,507	785,083	1,020,153	4,828,839
2.1 Mining and Quarrying	265,961	240,340	410,642	528,777	4,257,166
2.1.1 Diamond	183,339	165,275	281,067	336,055	386,819
2.1.2 Iron Ore				29,933	3,679,274
2.1.3 Other minerals (Rutile, Bauxite, Gold, etc)	55,121	50,274	87,415	112,381	133,049
2.1.4 Quarrying	27,501	24,791	42,160	50,408	58,023
2.2 Manufacturing and Handicrafts	182,041	176,800	223,299	288,488	346,555
2.3 Electricity and Water Supply	16,912	17,512	24,443	30,237	37,805
2.3.1 Electricity	8,558	9,272	12,484	16,196	16,910
2.3.2 Water	8,354	8,240	11,960	14,040	20,895
2.4 Construction	121,948	112,855	126,698	172,651	187,314
3. Services	2,524,882	2,766,145	3,463,633	4,326,970	5,017,072
3.1 Trade and Tourism	567,642	629,108	785,366	1,042,615	1,198,501
3.1.1 Wholesale And Retail	538,517	600,112	748,882	993,280	1,143,366
3.1.2 Hotels And Restaurants	29,125	28,996	36,485	49,335	55,135
3.2 Transport, Storage and Communication	473,909	528,442	586,426	686,589	798,111
3.2.1 Transport	268,643	298,256	329,473	389,236	453,751
3.2.2 Communication	205,266	230,186	256,953	297,353	344,360
3.3 Finance, Insurance and Real Estate	356,201	387,622	480,162	595,170	687,120
3.3.1 Banking	110,240	137,916	173,871	223,556	272,138
3.3.2 Insurance	50,794	33,321	44,055	51,980	54,939
3.3.3 Real Estate	178,790	200,128	241,540	293,266	330,676
3.3.4 Other Financial Institutions	16,377	16,258	20,696	26,368	29,368
3.4 Administration of Public Services	252,942	290,197	423,463	572,341	702,736
3.5 Other Services	303,499	339,721	409,961	497,825	561,328
3.6 Education	214,918	203,609	237,666	290,722	325,719
3.7 Health	257,441	273,170	437,171	479,580	570,174
3.8 NPISH	98,331	114,276	103,417	162,129	173,383
4. FISIM	105,208	121,928	152,963	186,728	212,691
5. Total Value Added at Basic Prices (1+2+3-4)	6,960,749	7,782,824	9,525,350	12,117,354	18,048,173
6. Taxes less Subsidies on Products	357,365	420,503	565,531	489,976	568,583
7. Gross Domestic Product at Market Prices (5+6)	7,318,114	8,203,328	10,090,881	12,607,330	18,616,756
<i>Note: NPISH = Non-Profit Institutions Serving Household</i>					

Gross Domestic Product at Constant 2006 Prices (in Millions Leones) By Sector

	2008	2009	2010	2011 (Provisional)	2012 (Projection)
1. Agriculture, Forestry and Fishing	3,392,883	3,529,327	3,653,451	3,822,260	4,025,064
1.1 Crops	2,336,546	2,451,859	2,544,441	2,682,094	2,852,955
1.1.1 Rice	953,516	1,007,513	1,045,245	1,113,504	1,219,721
1.1.2 Fruits & Vegetable	251,991	258,178	264,572	271,168	277,962
1.1.3 Cassava	598,259	633,577	661,295	696,932	715,618
1.1.4 Ground Nut	295,185	302,906	314,187	332,149	354,031
1.1.5 Maze	99,530	105,917	110,972	114,777	122,927
1.1.6 Sweet Potato	42,274	44,507	47,203	50,023	53,342
1.1.7 Other crops	95,791	99,260	100,967	103,540	109,353
1.2 Livestock	143,789	147,101	153,977	160,597	168,096
1.3 Forestry	392,908	403,850	418,555	429,757	444,278
1.4 Fishery	519,641	526,517	536,477	549,813	559,735
2. Industry	538,149	513,224	579,089	635,244	2,613,774
2.1 Mining and Quarrying	221,306	219,408	253,777	258,143	2,187,552
2.1.1 Diamond	146,184	153,590	167,757	143,835	163,923
2.1.2 Iron Ore				13,065	1,911,331
2.1.3 Other minerals (Rutile, Bauxite, Gold, etc)	39,960	34,523	48,533	54,456	58,453
2.1.4 Quarrying	35,163	31,295	37,487	46,786	53,846
2.2 Manufacturing and Handicrafts	150,232	140,007	152,740	175,615	194,231
2.3 Electricity and Water Supply	43,685	39,838	40,932	42,540	44,912
2.3.1 Electricity	35,944	31,897	32,777	34,933	37,058
2.3.2 Water	7,740	7,942	8,156	7,607	7,854
2.4 Construction	122,927	113,970	131,640	158,945	187,079
3. Services	2,118,815	2,204,629	2,344,680	2,513,040	2,668,700
3.1 Trade and Tourism	445,167	453,141	481,583	539,086	580,831
3.1.1 Wholesale & Retail	420,017	428,421	453,935	508,246	546,769
3.1.2 Hotels And Restaurants	25,150	24,721	27,648	30,840	34,062
3.2 Transport, Storage and Communication	484,111	526,654	547,598	574,855	596,632
3.2.1 Transport	274,426	297,247	307,658	325,893	339,204
3.2.2 Communication	209,685	229,407	239,940	248,962	257,428
3.3 Finance, Insurance and Real Estate	277,826	295,487	309,046	325,704	346,501
3.3.1 Banking	85,982	98,458	105,392	114,390	126,590
3.3.2 Insurance	39,623	42,550	44,699	47,762	52,431
3.3.3 Real Estate	139,448	142,872	146,410	150,060	153,820
3.3.4 Other financial Institutions	12,773	11,607	12,545	13,492	13,661
3.4 Administration of Public Services	197,283	207,173	256,683	292,859	326,891
3.5 Other Services	236,715	242,528	248,533	254,730	261,112
3.6 Education	213,668	200,534	210,739	224,941	243,500
3.7 Health	181,098	187,053	196,064	202,295	209,138
3.8 NPISH	82,948	92,060	94,435	98,571	104,093
4. FISIM	82,057	87,044	92,719	95,546	98,937
5. Total Value Added at Basic Prices (1+2+3-4)	5,967,790	6,160,136	6,484,502	6,874,998	9,208,601
6. Taxes less Subsidies on Products	319,642	329,944	347,318	367,533	390,851
7. Gross Domestic Product at Market Prices (5+6)	6,287,432	6,490,081	6,831,819	7,242,532	9,599,451
Growth Rate - Year-on-Year	5.4%	3.223%	5.27%	6.01%	32.54%

Real Gross Domestic Product Growth Rates By Sectors

	2008	2009	2010	2011 (Provisional)	2012 (Projection)
1. Agriculture, Forestry and Fishing	6.68	4.02	3.52	4.62	5.31
1.1 Crops	8.69	4.94	3.78	5.41	6.37
1.1.1 Rice	6.92	5.66	3.75	6.53	9.54
1.1.2 Fruits & Vegetable	2.44	2.46	2.48	2.49	2.51
1.1.3 Cassava	17.38	5.90	4.37	5.39	2.68
1.1.4 Ground Nut	4.14	2.62	3.72	5.72	6.59
1.1.5 Maze	3.00	6.42	4.77	3.43	7.10
1.1.6 Sweet Potato	7.44	5.28	6.06	5.97	6.63
1.1.7 Other crops	15.73	3.62	1.72	2.55	5.61
1.2 Livestock	2.77	2.30	4.67	4.30	4.67
1.3 Forestry	3.81	2.78	3.64	2.68	3.38
1.4 Fishery	1.45	1.32	1.89	2.49	1.80
2. Industry	-10.36	-4.63	12.83	9.70	311.46
2.1 Mining and Quarrying	-30.33	-0.86	15.66	1.72	747.42
2.1.1 Diamond	-36.83	5.07	9.22	-14.26	13.97
2.1.2 Iron Ore	14529.19
2.1.3 Other minerals (Rutile, Bauxite, Gold)	-23.16	-13.60	40.58	12.20	7.34
2.1.4 Quarrying	2.75	-11.00	19.79	24.81	15.09
2.2 Manufacturing and Handicrafts	1.49	-6.81	9.09	14.98	10.60
2.3 Electricity and Water Supply	187.80	-8.80	2.75	3.93	5.58
2.3.1 Electricity	330.03	-11.26	2.76	6.58	6.08
2.3.2 Water	13.49	2.60	2.69	-6.73	3.24
2.4 Construction	2.83	-7.29	15.50	20.74	17.70
3. Services	8.48	4.05	6.35	7.18	6.19
3.1 Trade and Tourism	1.80	1.79	6.28	11.94	7.74
3.1.1 Wholesale & Retail	1.95	2.00	5.96	11.96	7.58
3.1.2 Hotels And Restaurants	-0.58	-1.71	11.84	11.55	10.45
3.2 Transport, Storage and Communication	24.26	8.79	3.98	4.98	3.79
3.2.1 Transport	23.86	8.32	3.50	5.93	4.08
3.2.2 Communication	24.79	9.41	4.59	3.76	3.40
3.3 Finance, Insurance and Real Estate	-1.42	6.36	4.59	5.39	6.39
3.3.1 Banking	3.30	14.51	7.04	8.54	10.66
3.3.2 Insurance	12.80	7.39	5.05	6.85	9.78
3.3.3 Real Estate	2.44	2.46	2.48	2.49	2.51
3.3.4 Other financial Institutions	-53.30	-9.13	8.08	7.55	1.25
3.4 Administration of Public Services	-14.11	5.01	23.90	14.09	11.62
3.5 Other Services	2.44	2.46	2.48	2.49	2.51
3.6 Education	55.97	-6.15	5.09	6.74	8.25
3.7 Health	3.34	3.29	4.82	3.18	3.38
3.8 NPISH	16.16	10.99	2.58	4.38	5.60
4. FISIM	12.61	6.08	6.52	3.05	3.55
5. Total Value Added at Basic Prices (1+2+3-4)	5.42	3.22	5.27	6.02	33.94
6. Taxes less Subsidies on Products	5.42	3.22	5.27	5.82	6.34
7. Gross Domestic Product at Market Prices (5+6)	5.42	3.22	5.27	6.01	32.54
Annual Growth Rate	5.4	3.2	5.3	6.0	32.5

Gross Domestic Product Deflators By Sectors

	2008	2009	2010	2011 (Provisional)	2012 (Projection)
1. Agriculture, Forestry and Fishing	116.5	130.1	148.6	182.0	209.1
1.1 Crops	111.9	127.8	137.9	160.2	179.4
1.1.1 Rice	122.3	144.1	153.8	177.4	208.8
1.1.2 Fruits & Vegetable	128.2	140.1	165.0	195.4	208.6
1.1.3 Cassava	63.9	73.7	82.0	95.5	100.3
1.1.4 Ground Nut	149.7	163.9	161.1	185.8	195.1
1.1.5 Maze	106.5	117.4	136.8	170.9	179.5
1.1.6 Sweet Potato	83.8	89.5	85.3	114.0	119.7
1.1.7 Other crops	167.3	194.3	221.5	246.5	273.6
1.2 Livestock	128.8	139.3	191.2	232.8	275.9
1.3 Forestry	132.9	151.4	168.5	232.4	283.4
1.4 Fishery	121.5	121.8	171.8	234.4	281.2
2. Industry	109.1	106.7	135.6	160.6	184.7
2.1 Mining and Quarrying	120.2	109.5	161.8	204.8	194.6
2.1.1 Diamond	125.4	107.6	167.5	233.6	236.0
2.1.2 Iron Ore				229.1	192.5
2.1.3 Other minerals (Rutile, Bauxite, Gold)	137.9	145.6	180.1	206.4	227.6
2.1.4 Quarrying	78.2	79.2	112.5	107.7	107.8
2.2 Manufacturing and Handicrafts	121.2	126.3	146.2	164.3	178.4
2.3 Electricity and Water Supply	38.7	44.0	59.7	71.1	84.2
2.3.1 Electricity	23.8	29.1	38.1	46.4	45.6
2.3.2 Water	107.9	103.8	146.6	184.6	266.1
2.4 Construction	99.2	99.0	96.2	108.6	100.1
3. Services	119.2	125.5	147.7	172.2	188.0
3.1 Trade and Tourism	127.5	138.8	163.1	193.4	206.3
3.1.1 Wholesale & Retail	128.2	140.1	165.0	195.4	209.1
3.1.2 Hotels And Restaurants	115.8	117.3	132.0	160.0	161.9
3.2 Transport, Storage and Communication	97.9	100.3	107.1	119.4	133.8
3.2.1 Transport	97.9	100.3	107.1	119.4	133.8
3.2.2 Communication	97.9	100.3	107.1	119.4	133.8
3.3 Finance, Insurance and Real Estate	128.2	131.2	155.4	182.7	198.3
3.3.1 Banking	128.2	140.1	165.0	195.4	215.0
3.3.2 Insurance	128.2	78.3	98.6	108.8	104.8
3.3.3 Real Estate	128.2	140.1	165.0	195.4	215.0
3.3.4 Other financial Institutions	128.2	140.1	165.0	195.4	215.0
3.4 Administration of Public Services	128.2	140.1	165.0	195.4	215.0
3.5 Other Services	128.2	140.1	165.0	195.4	215.0
3.6 Education	100.6	101.5	112.8	129.2	133.8
3.7 Health	142.2	146.0	223.0	237.1	272.6
3.8 NPISH	118.5	124.1	109.5	164.5	166.6
4. FISIM	128.2	140.1	165.0	195.4	215.0
5. Total Value Added at Basic Prices (1+2+3-4)	116.6	126.3	146.9	176.3	196.0
6. Taxes less Subsidies on Products	111.8	127.4	162.8	133.3	145.5
7. Gross Domestic Product at Market Prices (5+6)	116.4	126.4	147.7	174.1	193.9
Average Price Change By Deflator	9.2	8.6	16.9	17.9	11.4

Percentages Of Contributions To Gross Domestic Product By Sectors					
	2008	2009	2010	2011 (Provisional)	2012 (Projection)
1. Agriculture, Forestry and Fishing	53.96	54.38	53.48	52.78	41.93
1.1 Crops	37.16	37.78	37.24	37.03	29.72
1.1.1 Rice	15.17	15.52	15.30	15.37	12.71
1.1.2 Fruits & Vegetable	4.01	3.98	3.87	3.74	2.90
1.1.3 Cassava	9.52	9.76	9.68	9.62	7.45
1.1.4 Ground Nut	4.69	4.67	4.60	4.59	3.69
1.1.5 Maze	1.58	1.63	1.62	1.58	1.28
1.1.6 Sweet Potato	0.67	0.69	0.69	0.69	0.56
1.1.7 Other crops	1.52	1.53	1.48	1.43	1.14
1.2 Livestock	2.29	2.27	2.25	2.22	1.75
1.3 Forestry	6.25	6.22	6.13	5.93	4.63
1.4 Fishery	8.26	8.11	7.85	7.59	5.83
2. Industry	8.56	7.91	8.48	8.77	27.23
2.1 Mining and Quarrying	3.52	3.38	3.71	3.56	22.79
2.1.1 Diamond	2.33	2.37	2.46	1.99	1.71
2.1.2 Iron Ore		0.53	0.00	0.18	19.91
2.1.3 Other minerals (Rutile, Bauxite, Gold)	0.64		0.71	0.75	0.61
2.1.4 Quarrying	0.56	0.48	0.55	0.65	0.56
2.2 Manufacturing and Handicrafts	2.39	2.16	2.24	2.42	2.02
2.3 Electricity and Water Supply	0.69	0.61	0.60	0.59	0.47
2.3.1 Electricity	0.57	0.49	0.48	0.48	0.39
2.3.2 Water	0.12	0.12	0.12	0.11	0.08
2.4 Construction	1.96	1.76	1.93	2.19	1.95
3. Services	33.70	33.97	34.32	34.70	27.80
3.1 Trade and Tourism	7.08	6.98	7.05	7.44	6.05
3.1.1 Wholesale & Retail	6.68	6.60	6.64	7.02	5.70
3.1.2 Hotels And Restaurants	0.40	0.38	0.40	0.43	0.35
3.2 Transport, Storage and Communication	7.70	8.11	8.02	7.94	6.22
3.2.1 Transport	4.36	4.58	4.50	4.50	3.53
3.2.2 Communication	3.33	3.53	3.51	3.44	2.68
3.3 Finance, Insurance and Real Estate	4.42	4.55	4.52	4.50	3.61
3.3.1 Banking	1.37	1.52	1.54	1.58	1.32
3.3.2 Insurance	0.63	0.66	0.65	0.66	0.55
3.3.3 Real Estate	2.22	2.20	2.14	2.07	1.60
3.3.4 Other financial Institutions	0.20	0.18	0.18	0.19	0.14
3.4 Administration of Public Services	3.14	3.19	3.76	4.04	3.41
3.5 Other Services	3.76	3.74	3.64	3.52	2.72
3.6 Education	3.40	3.09	3.08	3.11	2.54
3.7 Health	2.88	2.88	2.87	2.79	2.18
3.8 NPISH	1.32	1.42	1.38	1.36	1.08
4. FISIM	1.31	1.34	1.36	1.32	1.03
5. Total Value Added at Basic Prices (1+2+3-4)	94.92	94.92	94.92	94.93	95.93
6. Taxes less Subsidies on Products	5.08	5.08	5.08	5.07	4.07
7. Gross Domestic Product at Market Prices (5+6)	100.00	100.00	100.00	100.00	100.00

CONTRIBUTIONS TO GDP Growth (SUPPLY SIDE)					
	2008	2009	2010	2011 (Provisional)	2012 (Projection)
1. Agriculture, Forestry and Fishing	3.6	2.2	1.9	2.5	2.8
1.1 Crops	3.1	1.8	1.4	2.0	2.4
1.1.1 Rice	1.0	0.9	0.6	1.0	1.5
1.1.2 Fruits & Vegetable	0.1	0.1	0.1	0.1	0.1
1.1.3 Cassava	1.5	0.6	0.4	0.5	0.3
1.1.4 Ground Nut	0.2	0.1	0.2	0.3	0.3
1.1.5 Maze	0.0	0.1	0.1	0.1	0.1
1.1.6 Sweet Potato	0.0	0.0	0.0	0.0	0.0
1.1.7 Other crops	0.2	0.1	0.0	0.0	0.1
1.2 Livestock	0.1	0.1	0.1	0.1	0.1
1.3 Forestry	0.2	0.2	0.2	0.2	0.2
1.4 Fishery	0.1	0.1	0.2	0.2	0.1
2. Industry	(1.0)	(0.4)	1.0	0.8	27.3
2.1 Mining and Quarrying	(1.6)	(0.0)	0.5	0.1	26.6
2.1.1 Diamond	(1.4)	0.1	0.2	(0.4)	0.3
2.1.2 Iron Ore	-	-	-	0.2	26.2
2.1.3 Other minerals (Rutile, Bauxite, Gold, etc)	(0.2)	(0.1)	0.2	0.1	0.1
2.1.4 Quarrying	0.0	(0.1)	0.1	0.1	0.1
2.2 Manufacturing and Handicrafts	0.0	(0.2)	0.2	0.3	0.3
2.3 Electricity and Water Supply	0.5	(0.1)	0.0	0.0	0.0
2.3.1 Electricity	0.5	(0.1)	0.0	0.0	0.0
2.3.2 Water	0.0	0.0	0.0	(0.0)	0.0
2.4 Construction	0.1	(0.1)	0.3	0.4	0.4
3. Services	2.8	1.4	2.2	2.5	2.1
3.1 Trade and Tourism	0.1	0.1	0.4	0.8	0.6
3.1.1 WHOLESALE & RETAIL	0.1	0.1	0.4	0.8	0.5
3.1.2 Hotels And Restaurants	(0.0)	(0.0)	0.0	0.0	0.0
3.2 Transport, Storage and Communication	1.6	0.7	0.3	0.4	0.3
3.2.1 Transport	0.9	0.4	0.2	0.3	0.2
3.2.2 Communication	0.7	0.3	0.2	0.1	0.1
3.3 Finance, Insurance and Real Estate	(0.1)	0.3	0.2	0.2	0.3
3.3.1 Banking	0.0	0.2	0.1	0.1	0.2
3.3.2 Insurance	0.1	0.0	0.0	0.0	0.1
3.3.3 Real Estate	0.1	0.1	0.1	0.1	0.1
3.3.4 Other financial Institutions	(0.2)	(0.0)	0.0	0.0	0.0
3.4 Administration of Public Services	(0.5)	0.2	0.8	0.5	0.5
3.5 Other Services	0.1	0.1	0.1	0.1	0.1
3.6 Education	1.3	(0.2)	0.2	0.2	0.3
3.7 Health	0.1	0.1	0.1	0.1	0.1
3.8 NPISH	0.2	0.1	0.0	0.1	0.1
4. FISIM	0.2	0.1	0.1	0.0	0.0
5. Total Value Added at Basic Prices (1+2+3-4)	5.1	3.1	5.0	5.7	32.2
6.Taxes less Subsidies on Products	0.3	0.2	0.3	0.3	0.3
7. Gross Domestic Product at Market Prices (5+6)	5.4	3.2	5.3	6.0	32.5