



PUNTLAND STATISTICS DEPARTMENT  
MINISTRY OF PLANNING ECONOMIC DEVELOPMENT AND  
INTERNATIONAL COOPERATION

## STATISTICAL RELEASE

PUNTLAND GROSS DOMESTIC PRODUCT (GDP)

**2023**



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## Preface

This publication presents an in-depth analysis of Puntland's Gross Domestic Product (GDP) for the year 2023, offering valuable insights into the region's economic performance and growth trends. It provides a detailed overview of Puntland's economy, estimating GDP based on the expenditure approach, with calculations at both current and constant prices. These estimates are derived in accordance with the internationally recognized guidelines outlined in the System of National Accounts, 2008.

It is important to note that while the data used in this report is valuable, it remains subject to certain limitations. As with any statistical analysis, the accuracy of these estimates depends on the available data, which, in some cases, is incomplete. In addition, some assumptions were drawn from national accounts data of other African countries to fill gaps. As such, the figures presented in this report should be viewed as preliminary and may be revised in future publications as more accurate and comprehensive data becomes available.

The publication of this report marks another step in Puntland's commitment to economic transparency and evidence-based policymaking. It provides critical insights for policymakers, investors, researchers, and other stakeholders interested in understanding the dynamics of the Puntland economy and its potential for future development.

This report would not have been possible without the collaboration of various ministries and government agencies, whose administrative data contributed significantly to the accuracy of the estimates. We would like to express our sincere gratitude for their cooperation and support throughout the process. We also extend our deepest thanks to the dedicated team of professionals at the Puntland Statistics Department, particularly the Economic Statistics team, for their hard work and attention to detail. Their efforts were instrumental in ensuring the success of this report.

Furthermore, we wish to acknowledge the invaluable technical assistance provided by Statistics Sweden, whose expertise greatly enhanced the capacity of our staff and improved the quality of the estimates presented herein.

The Puntland Statistics Department is committed to continuously improving the quality and reliability of its economic reports. We welcome feedback and suggestions from users of this publication to help refine our methodologies and ensure the continued growth of economic data collection and analysis in Puntland.



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## Introduction

This is the official Puntland Gross Domestic Product (GDP) estimation report for 2023. It provides an overview of the size and a picture of Puntland's economy and its growth in recent years. Puntland GDP was estimated using the expenditure approach in both current and constant prices by taking 2022 as the base year for estimates of real GDP. The results are presented in seven tables below and these estimates should be considered experimental which means they can be revised shortly. The Puntland GDP estimation is annually published on the Puntland Statistics Department website .

The GDP for 2023 increased in both constant and current prices. This was mainly the result of rising household final consumption in combination with higher exports.

## Puntland's GDP

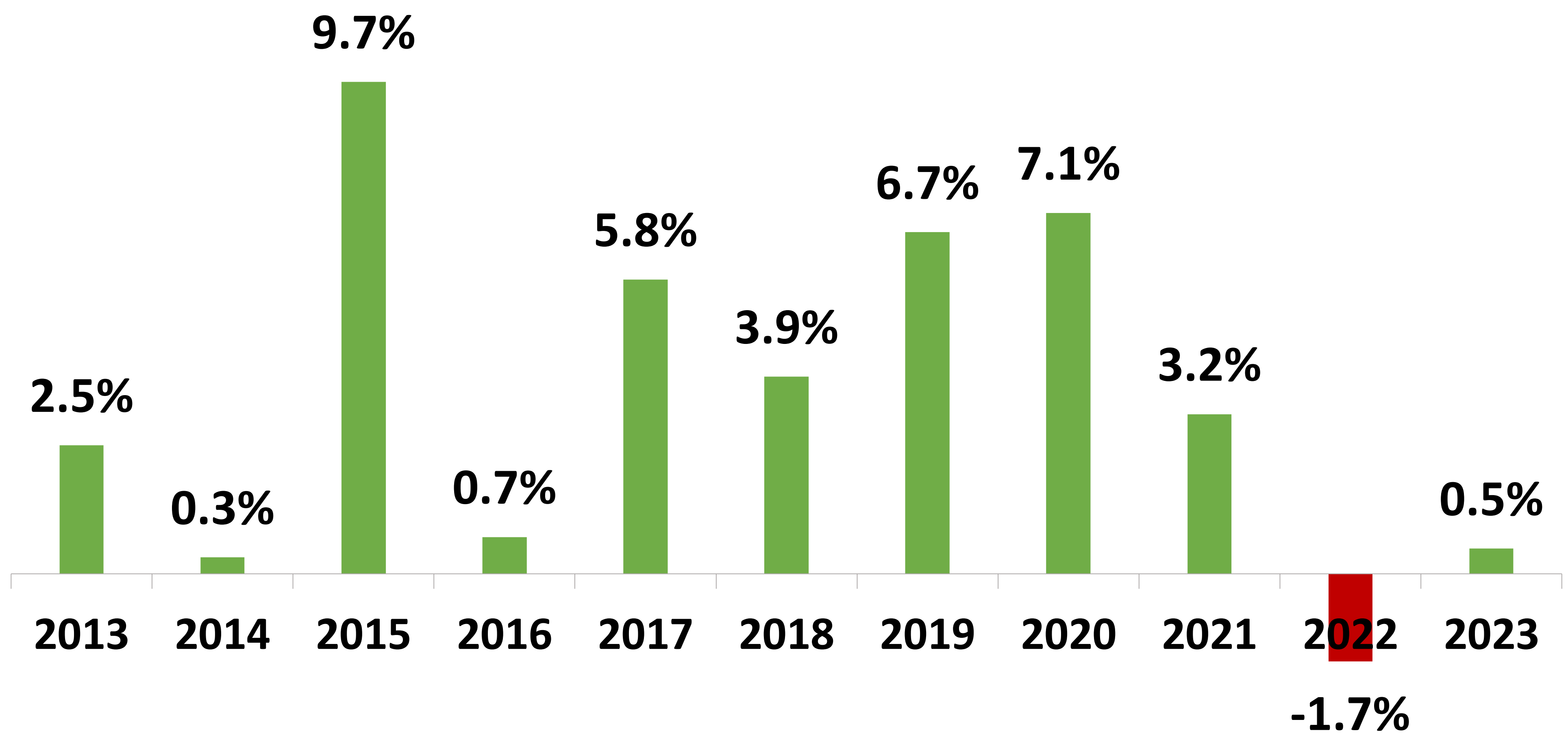
Puntland's GDP for 2023 amounted to 3,038 million US dollars at current prices compared to 2,935 million US dollars in 2022, whereas the GDP per capita in 2023 was 547 US dollars. At current prices, Puntland's GDP increased by 3.5 percent in 2023, compared to 7.1 percent in 2022. In terms of real GDP growth, when adjusting for inflation (constant prices), Puntland's economy grew by 0.5 percent in 2023. This growth rate was higher compared to the -1.7 percent decrease experienced in 2022.

**547\$**  
**GDP per capita, 2023**

**0.5%** ↑  
**GDP Growth, 2023**

**-1.7%** ↓  
**GDP Decrease, 2022**

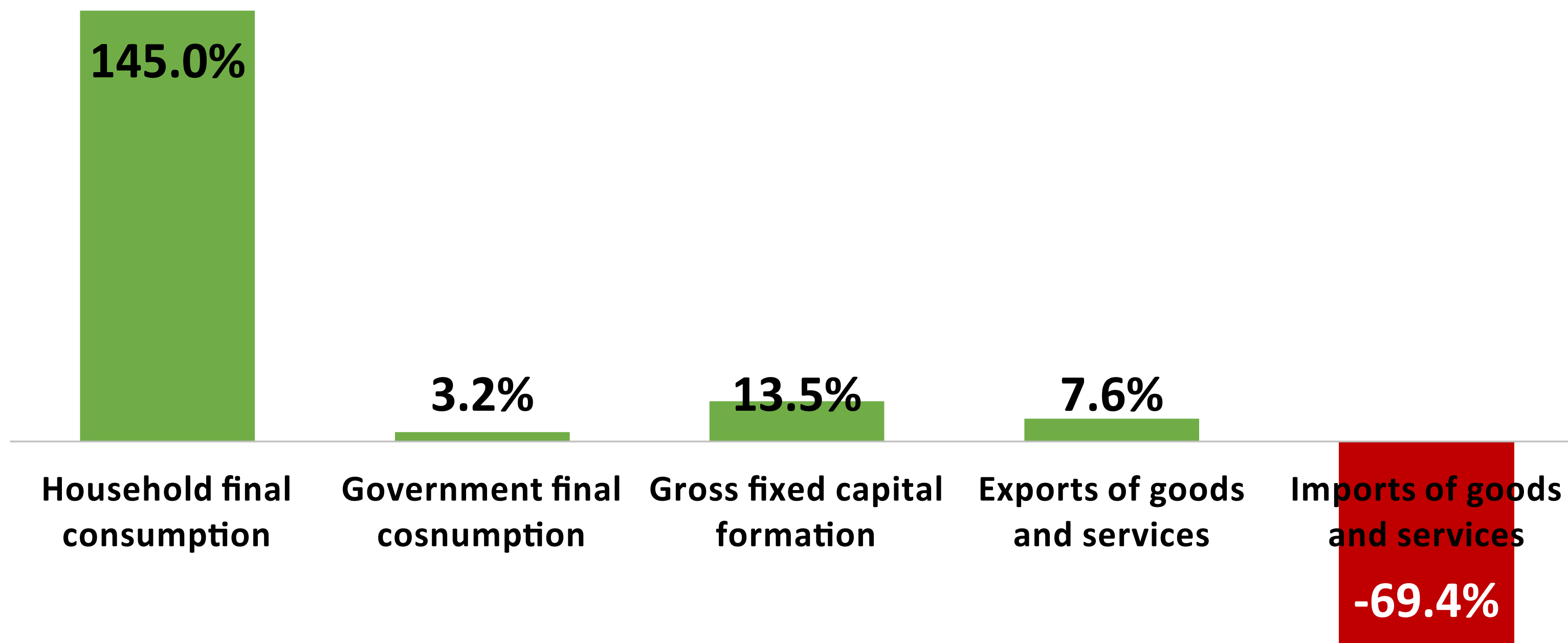
**Figure 1 Real GDP Annual Growth Rate 2013 to 2023**



## GDP Share per Component at the current price

In 2023, the shares of the GDP components by expenditure approach in nominal terms were as follows: This breakdown indicates that Puntland's economy in 2023 heavily relied on household consumption, with gross fixed capital formation and government spending playing a minor role. Exports also contributed positively, but the Puntland faced a significant trade deficit due to a high level of imports relative to exports, which impacted the overall GDP growth.

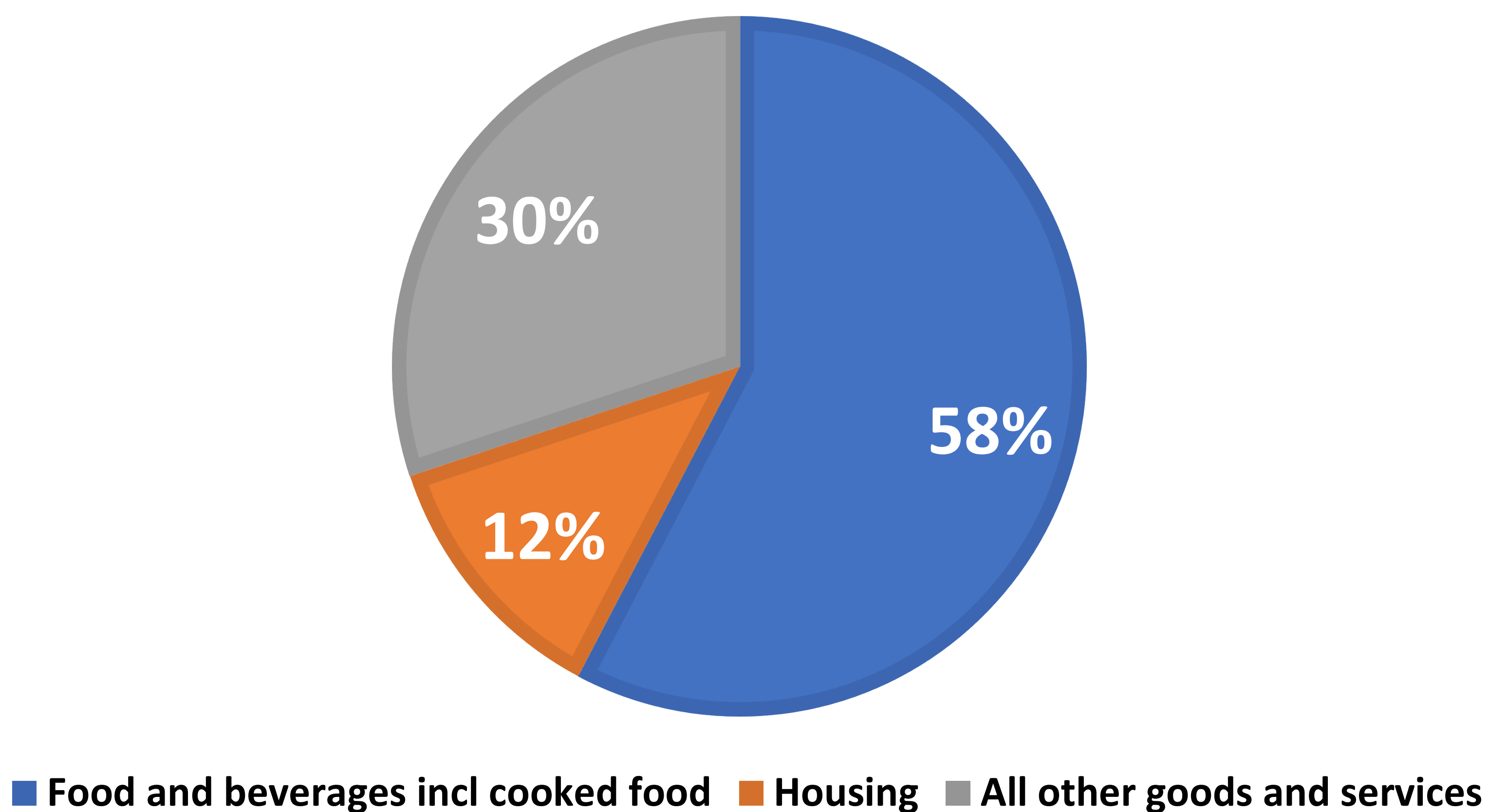
**Figure 2** GDP Share per Component at current prices



## Household final consumption

The household final consumption expenditure was 4,404 million US Dollars in 2023 at current prices compared to 4,182 million US dollars in 2022. Food and beverages were about 58 percent of the total household consumption. Housing accounted for about 12 percent, while all other goods and services represented 30 percent of the total household final consumption. In constant prices, household final consumption increased by 1.8 percent from 2022 to 2023. Expenditures on food and beverages and housing are estimated to increase, while all other goods and services declined during the year.

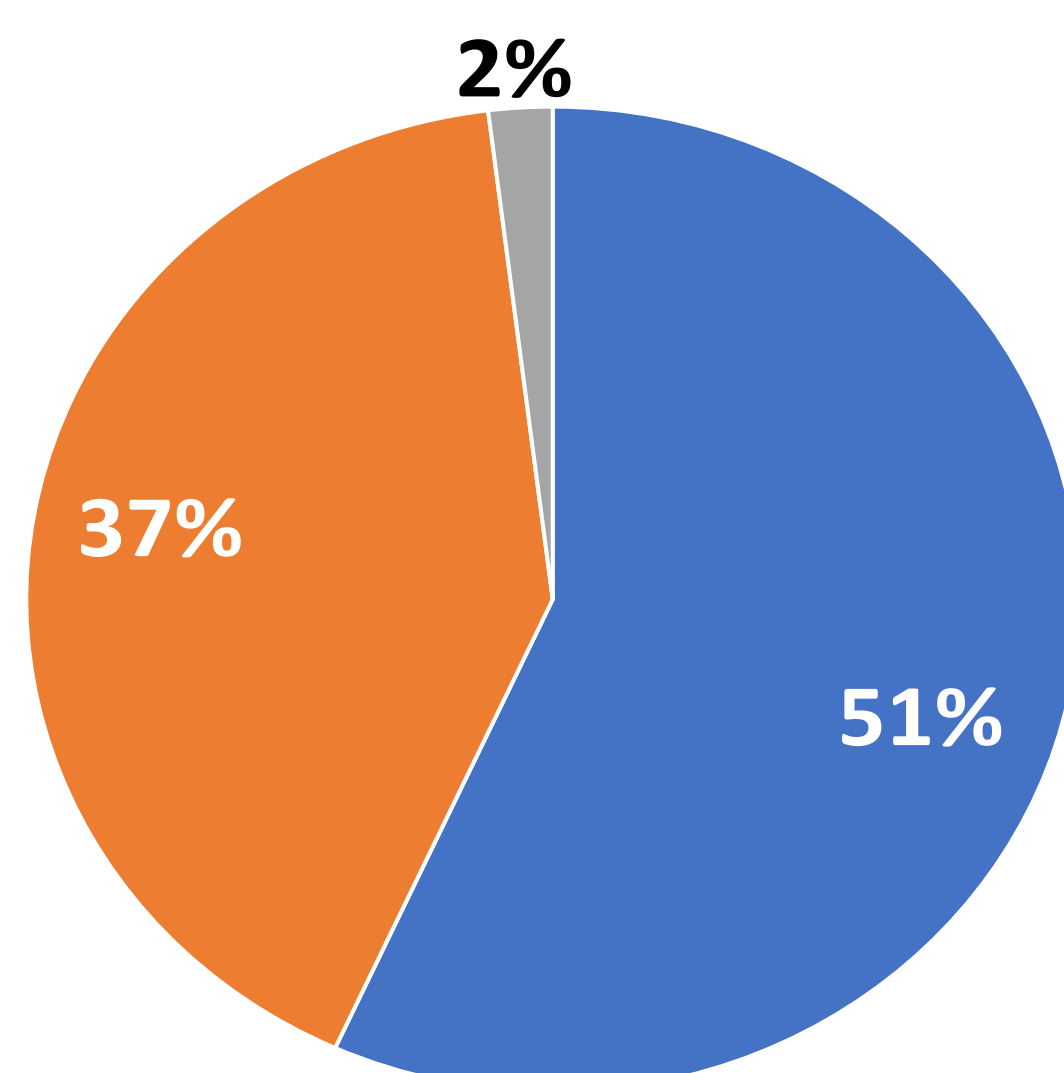
**Figure 3** Household final consumption expenditure at current prices



## Government final consumption expenditure

Government final consumption expenditure in current prices amounted to 97 million US Dollars in 2023 compared to 107 million US dollars in the year before. However, the annual growth rate in 2023 was minus 12.3 percent in constant prices.

**Figure 4** Government final consumption expenditure

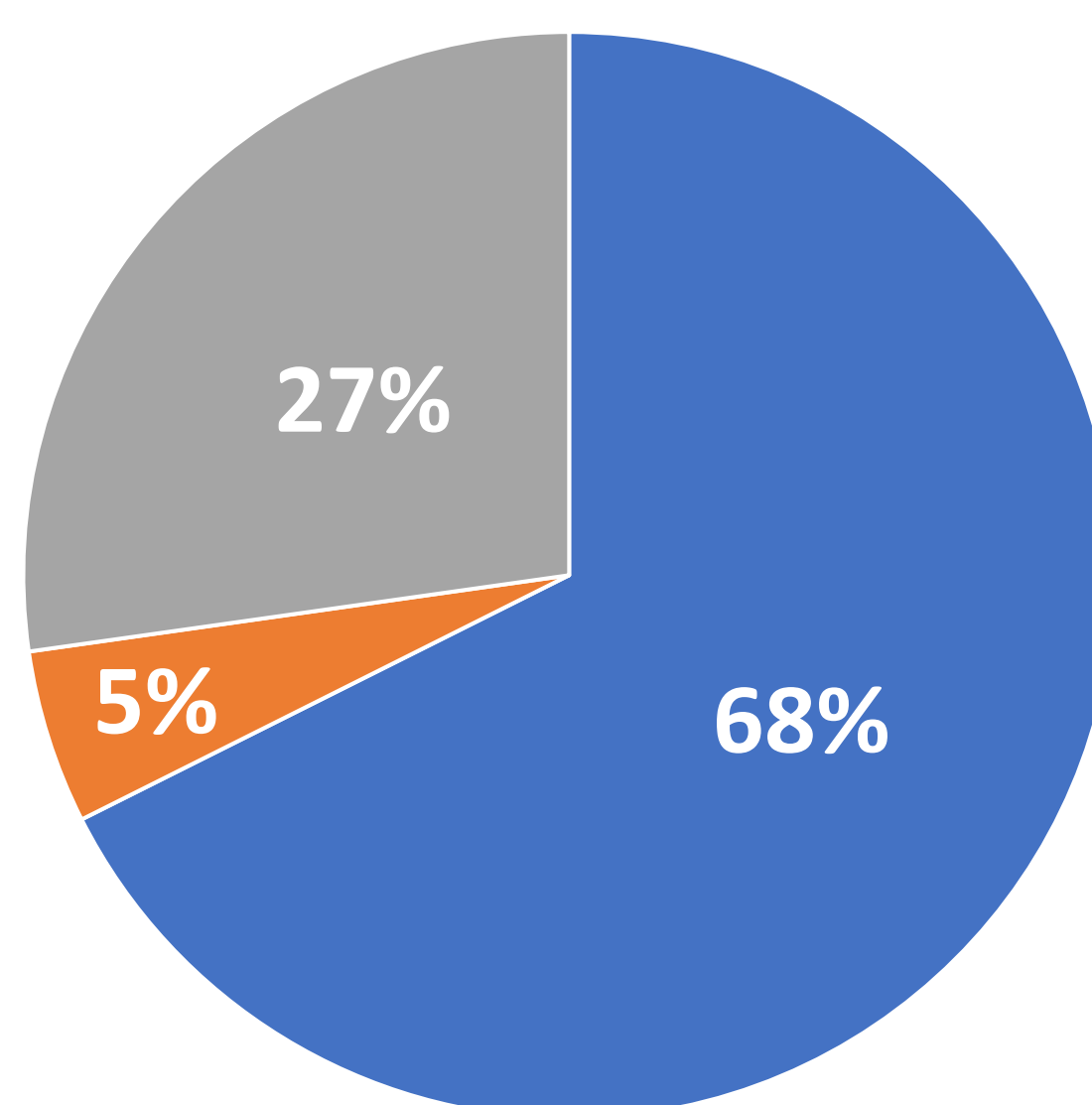


■ Buildings and structures ■ Transport equipment ■ Other machinery and equipment

## Gross fixed capital formation

Currently, gross fixed capital formation amounts to 411 million US Dollars in 2023 compared to 441 million USD in 2022. The 2023 annual growth rate was -1.3 percent in constant prices. Building and structures make up 68 percent of the gross fixed capital formation. Transport equipment was 5 percent while other machinery was 27 percent of the gross fixed capital formation. The decrease in gross fixed capital formation is mainly driven by Buildings and structures.

**Figure 5** Gross fixed capital formation

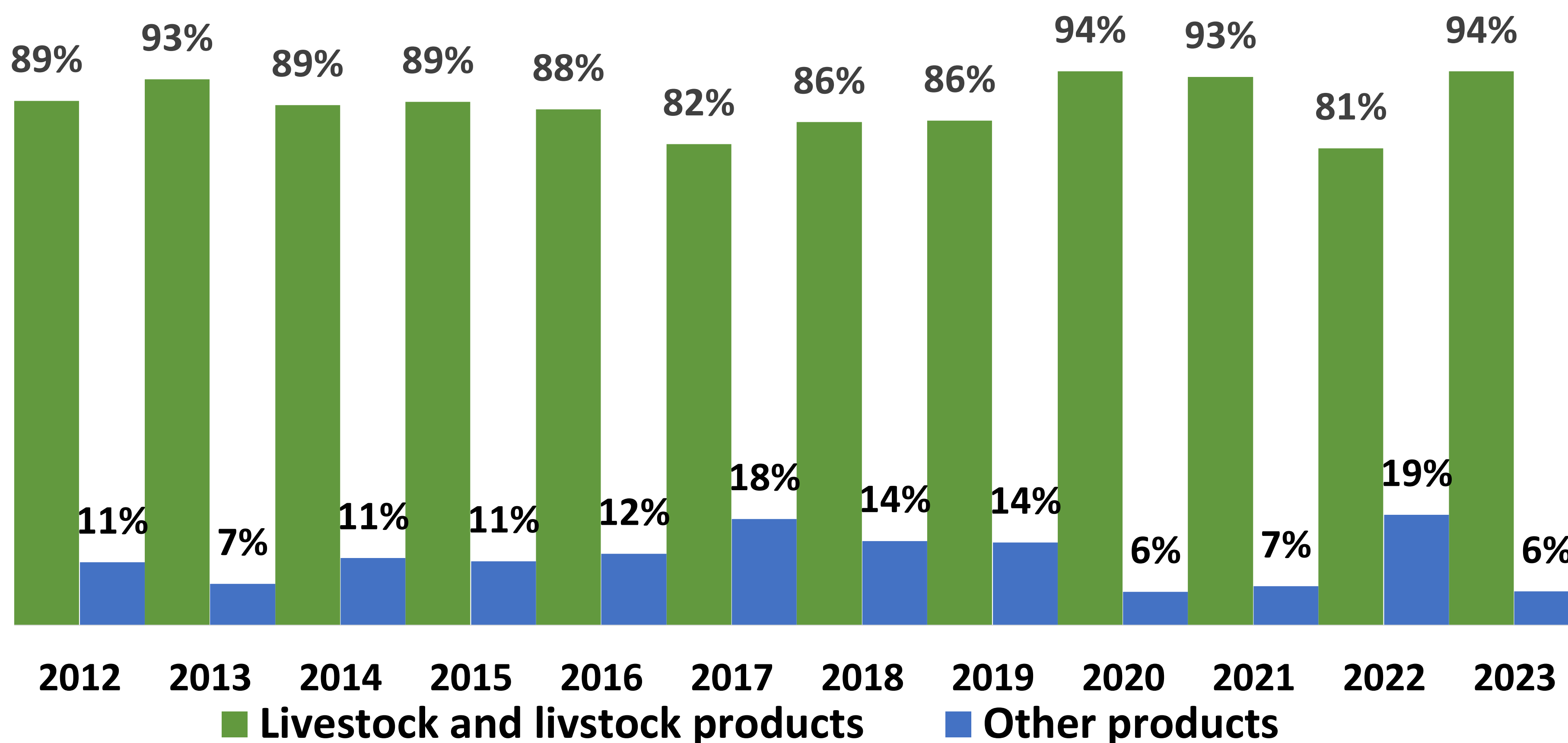


■ Buildings and structures ■ Transport equipment ■ Other machinery and equipment

## Exports

Puntland's total exports amounted to 232 million US dollars in 2023, showing a slight increase from 171 million US dollars in 2022. This indicates that the value of exports grew heavily between these two years. In current prices, exports increased by 35.6 percent in comparison with the previous year. In constant prices, however, exports increased by 31.2 percent. This suggests that the increase in export value may have been due to an increase in the quantity of goods being exported, especially camel quantities.

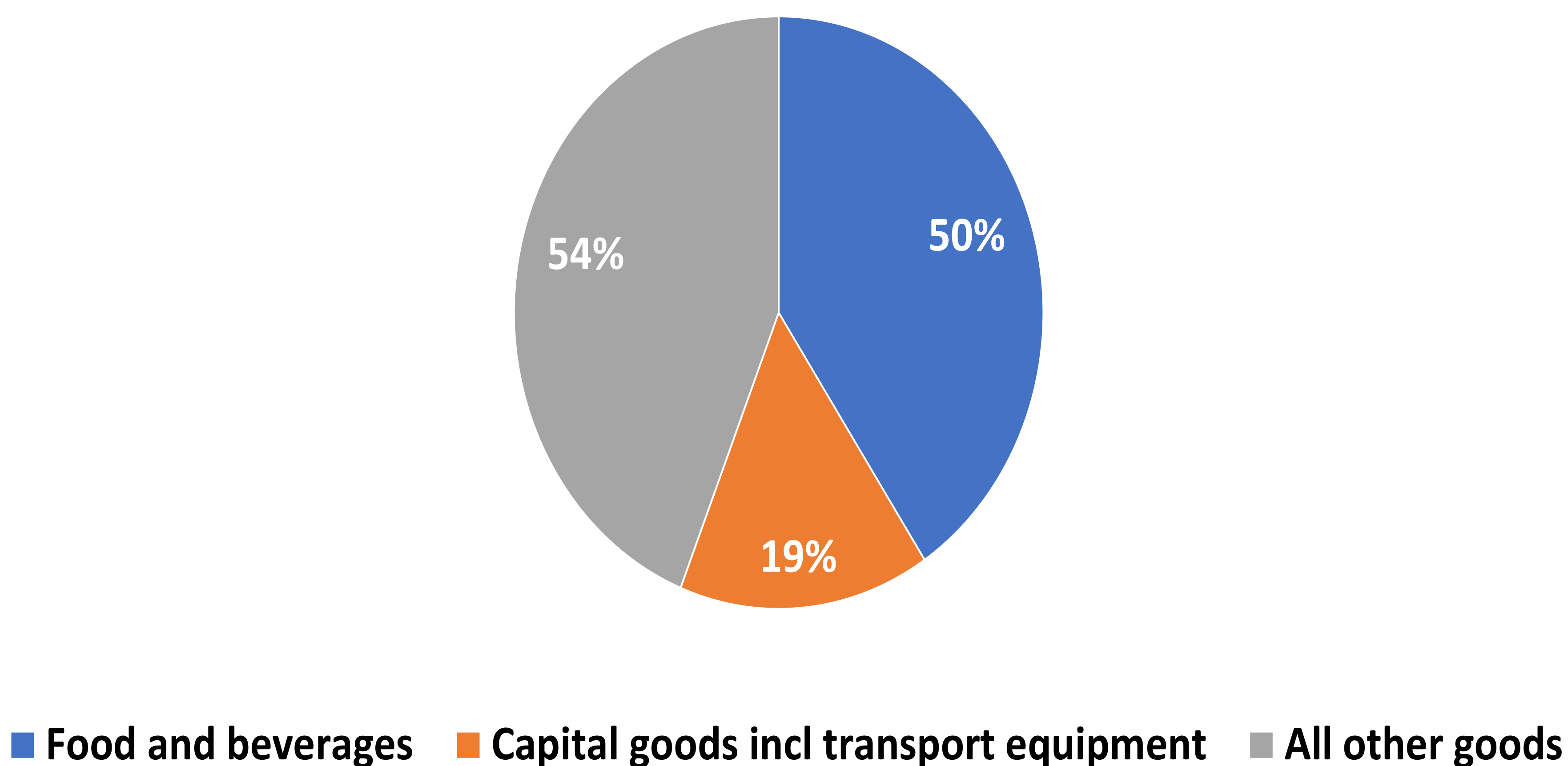
**Figure 6 Exports 2012-2023**



## Imports

Puntland's total imports amounted to 2,107 million US dollars in 2023, representing a significant increase from the 1,967 million US dollars recorded in the previous year (2022). This indicates a substantial growth in imports. The annual growth rate of 7.1 percent in 2023 reflects the increase in imports during this year. Such a high growth rate suggests increased demand for imported goods and services within Puntland's economy.

**Figure 7 Imports**







**Table 4 GDP by expenditure, constant prices, percent annual change**

GDP by expenditure, constant prices, percent annual change	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Household final consumption	4.3%	4.9%	4.4%	6.3%	10.2%	9.8%	5.6%	0.2%	2.5%	3.9%	1.8%
Government final consumption	-23.9%	4.3%	1.6%	55.1%	35.7%	16.4%	-31.4%	21.8%	11.4%	-1.7%	-12.3%
Gross fixed capital formation	3.4%	5.0%	11.6%	6.5%	18.4%	0.4%	14.5%	15.7%	-3.1%	14.8%	-1.3%
Exports of goods and services	2.6%	15.1%	16.3%	-19.0%	-18.0%	8.1%	5.4%	8.7%	-14.0%	-1.9%	31.2%
Imports of goods and services	5.8%	16.3%	-1.9%	14.3%	16.7%	17.9%	3.1%	-5.3%	-1.3%	15.1%	4.9%
<b>GDP at purchasers' prices</b>	<b>2.5%</b>	<b>0.3%</b>	<b>9.7%</b>	<b>0.7%</b>	<b>5.8%</b>	<b>3.9%</b>	<b>6.7%</b>	<b>7.1%</b>	<b>3.2%</b>	<b>-1.7%</b>	<b>0.5%</b>

**Table 5 GDP by expenditure, current prices, percent annual change**

GDP by expenditure, current prices, percent annual change	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Household final consumption	8.3%	4.2%	6.5%	-4.0%	-0.8%	6.5%	11.9%	6.7%	5.1%	13.1%	5.3%
Government final consumption	-19.6%	3.9%	3.8%	41.5%	27.1%	8.6%	-27.7%	30.1%	15.0%	6.6%	-9.6%
Gross fixed capital formation	6.2%	5.8%	5.5%	5.2%	23.7%	0.2%	12.3%	15.8%	16.1%	23.6%	-6.7%
Exports of goods and services	3.9%	18.7%	17.1%	-21.7%	-20.0%	1.6%	0.1%	21.8%	-11.2%	3.3%	35.6%
Imports of goods and services	7.9%	13.2%	0.0%	7.4%	11.9%	11.5%	5.6%	-1.5%	12.2%	24.5%	7.1%
<b>GDP at purchasers' prices</b>	<b>7.2%</b>	<b>1.6%</b>	<b>10.5%</b>	<b>-9.0%</b>	<b>-5.9%</b>	<b>2.5%</b>	<b>13.5%</b>	<b>14.3%</b>	<b>1.9%</b>	<b>7.1%</b>	<b>3.5%</b>

**Table 6 Average Annual Growth Rate constant price**

Average Annual Growth Rate constant price	2023
Household final consumption	4.9%
Government final consumption	7.0%
Gross fixed capital formation	7.8%
Exports of goods and services	3.1%
Imports of goods and services	7.8%
<b>GDP at purchasers' prices</b>	<b>3.5%</b>

**Table 7** Average Annual Growth Rate current price

Average Annual Growth Rate current price	2023
Household final consumption	5.6%
Government final consumption	8.9%
Gross fixed capital formation	11.5%
Exports of goods and services	1.3%
Imports of goods and services	10.2%
<b>GDP at purchasers' prices</b>	<b>3.5%</b>

## Sources and Methods

The estimates are based on imperfect and scarce source data combined with assumptions that are partly derived from the national accounts of other African countries. Therefore, the estimates should be considered experimental, meaning that they can be revised shortly.

**The following source data have been used:**

- The Somali Household Budget Survey (SHBS) collected data on household expenditure from May to August 2022.
- Data on government expenditure, collected by the Ministry of Finance, Puntland.
- Data on imports and exports quantities collected from the Puntland Ministry of Ports, Maritime Transport and Anti-Piracy, the Balance of payments, and Comtrade. The Comtrade database is maintained by the UN Statistical Department and contains data on foreign trade reported by most countries in the world. Exports from Somalia can then be estimated as imports by its trading partners and imports by Somalia as exports from its trading partners.
- The consumer price index (CPI) compiled by the Department of Statistics of the Ministry of Planning Economic Development and International Cooperation.
- The Population Estimation Survey for Somalia (PESS) provides population data for 2014. The annual population growth has been estimated at 2.8 percent.

**Household final consumption expenditure:** An estimate for 2022 was derived from the SHBS: Annual consumption per capita was estimated for the strata included in the SHBS. Total consumption was then calculated by multiplying each estimate per stratum by the relevant population. Household consumption is aggregated into three main categories for the benchmark year, namely food and beverages, housing, and other items. Each aggregate is extrapolated for years other than the benchmark year using different indicators. For food and beverages as well as for housing, an assumed population growth of 2.8 percent is used. For other items import data from COMTRADE is used, regarding imports of consumer goods.

For the year 2020, the model used to calculate household consumption has been adjusted in some areas to better capture the effects of the pandemic on the economy. Annual consumption growth for food has been estimated using the average of the population growth and the growth of food imports at constant prices. Normally only the assumed population growth is used, but for cautionary reasons, the imports of food were also used this year to better capture the effects of the pandemic. For 2021, the normal model has been used, using only population growth.

**Government final consumption expenditure:** Data on government expenditure and revenue have been collected by the Ministry of Finance, Puntland. The expenditure data specify compensation of employees (COE) and intermediate consumption (IC), deflated by CPI all items and CPI non-food respectively. An addition of two percent is made as an assumption for consumption of fixed capital (CFC), and output is derived as  $COE + IC + CFC$

Non-tax revenue is recorded as sales and fees, deducted from output to derive government's final consumption

**Gross fixed capital formation:** The estimates of transport equipment, machinery, and other equipment are based on imports of the relevant categories. For transport equipment, the growth rate for imports of trucks and cars has been used for estimating years other than 2017.

Additions are made for FOB -> CIF (15 percent), customs duties (7 and 20 percent), and trade margins (10 and 20 percent). Gross fixed capital formation in buildings and structures is based on imports of building materials with additions for FOB -> CIF (15 percent), customs duties (7 percent), and trade margins (20 percent). Fifteen percent was added to take into account that some building materials are produced in the country. Finally, it was assumed that the input of building materials accounts for 70 percent of the output of construction.

**Exports:** The estimates of live animals and animal products (hides and skins) as well as of frankincense are based on data from the Puntland Ministry of Ports, Maritime Transport, and Anti-Piracy Data are collected on quantities and unit prices and, thus, the current and constant prices are estimated by multiplying quantities by unit prices, for each year regarding current prices, and the base year regarding constant prices. The export of services is based on arriving visitors.

**Imports:** The estimates are as recorded in the Balance of payments with an addition of 15 percent to adjust for the valuation of exports, which records the value at the border (FOB) of the exporting country. The value of imports includes the cost of freight and insurance (CIF) between the exporting country and Somalia. Various indices are used as deflators. For live animals, the implicit deflator for exports of live animals is used. For food and consumer goods, CPI food and CPI all other goods are used respectively. This index has been adjusted for 2021, taking in a weighted average of the CPI for food and a global food index to better capture rising food prices on the world market. For capital equipment, the corresponding US export price indices are used as deflators.

