Methodological Notes

GDP - Production approach - national level, quarterly data

GDP by production approach is calculated under the following methodological scheme:

Gross domestic product (market prices) =

+ Gross value added (basic prices)

+ Adjustments;

where:

Adjustments =

+ Net taxes (taxes less subsidies) on products .

Gross value added by industry (basic prices) =

+ Gross output by industry (basic prices)

- Intermediate consumption by industry (at purchasers' prices)

where:

Output (in basic prices) is the value of goods and services produced as a result of production activity of resident units during the three month period. It may be non-market and market.

Market output is the output that is sold or disposed in any other way on the market or intended for sale or exchange in future periods at economically significant prices and cover the cost of production of goods and services. This production is calculated as a sum of:

- Net revenue from sales (less the book value of goods sold);
- Expenses on acquisition of self-constructed fixed assets;
- Changes in inventories of finished goods and work in progress.

As a result of changes in the prices, the value of the stocks of finished goods and work in progress accumulates so-called holding gains / losses. To be eliminated its impact, the output is adjusted with the holding gain / loss.

The non-market output covers output that is not for sale or other market transaction. It includes goods and services produced and used for own final consumption or capital formation or available for individual or collective consumption or at prices that are not economically significant, to other units.

This output is estimated as the sum of all current expenses (cost of materials, external services, labor, social security, etc.) incurred to produce it

Intermediate consumption includes the value of all goods and services, transformed or entirely consumed in the production process during the period, excluding consumption of fixed assets recorded as consumption of fixed capital (depreciation).

Intermediate consumption is valued at purchasers' prices and consists of:

- goods and services consumed as inputs in the process of production i.e. they may be either transformed or used up in the production process;
- goods and services provided to employees while on active duty;
- small tools and equipment used exclusively, or mainly at work;
- current repair and maintenance;
- purchased external services, e.g. research and development, staff training, marketing, advertising, communications, rentals, subscriptions etc.

GDP by production approach is calculated in current and constant prices by economic sectors (agriculture and forestry, industry, services), sectoral affiliation (according to to Classification of Economic Activities - 2008).

The data are also presented in time series at average annual prices for a given reference year. It is based on recalculation using the volume index for each quarter to the corresponding quarter of previous year. For this purpose, the annual overlap technique is applied , which provides vertical additivity, ie the sum of the quarterly figures is equal to the annual value of the indicator, but the results are non-additive in aggregation, ie the aggregate is not equal to the sum of its components.