

Compilation of GDP for
**Real Estate and Administrative
Service Sector**

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Outline

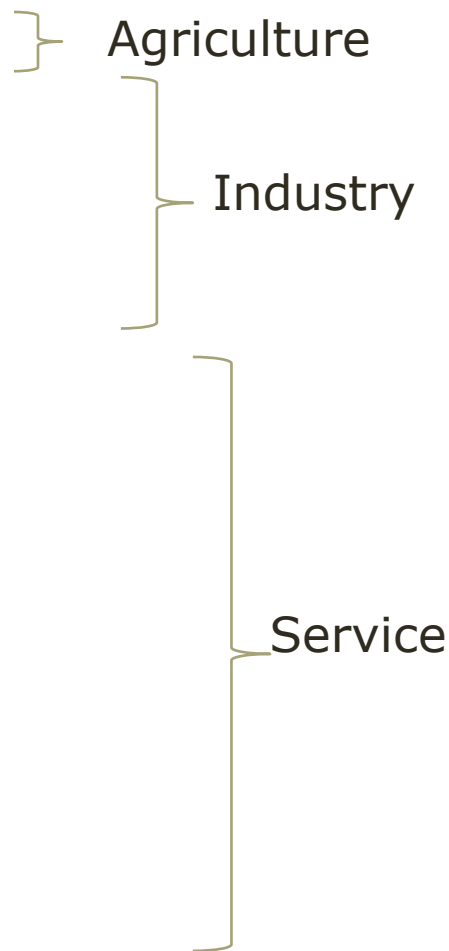
- Introduction
- Classification of Industries
- Compilation of Value Added for Real Estate sector
- Data Sources
- Way out for QGDP

Introduction

- The economic activities of Bangladesh are classified into 19 industrial sectors following International Standard Industrial Classification (ISIC), rev. 4.
- Real Estate sector is the 12th industrial sector classified under section "K" of ISIC, rev.4.
- Following ISIC rev. 4, the industrial classifications are as following-

Industrial Classifications by ISIC, rev.4

1. Agriculture, forestry and fishing
2. Mining and quarrying
3. Manufacturing
4. Electricity, gas, steam and air conditioning
5. Water supply: sewerage, waste management and remediation activities
6. Construction
7. Wholesale and retail trade
8. Transport, storage and communication
9. Accommodation and food service activities
10. Information and communication
11. Financial and insurance activities
12. Real estate activities
13. Professional, scientific and technical activities
14. Administrative and support service activities
15. Public administration and defense
16. Education
17. Human health and social work activities
18. Art, entertainment and recreation
19. Other service activities



20. Activities of households as employers; 21. Activities of extraterritorial organizations and bodies

Compilation of Value Added for Real Estate sector

- Real Estate sector consists of three sub-sectors as:
 - Housing services (dwelling)
 - Housing services (non-dwelling)
 - Real estate services by the real estate companies

Compilation of Value Added for Real Estate sector (contd.)

Housing services (dwelling)

- VA compilation of this sub-sector consists of estimating number of dwelling units in the economy and then to apply average annual rental of dwelling houses in order to estimate GO.
- The benchmark estimate of the number of dwelling units is obtained from the Housing and Population Census.
- Inter censal compound growth rate is applied to estimate the hh stocks in urban and rural areas separately for the non-census years.
- Annual average house rent in the base year (2005-06) for urban and rural areas are estimated from the HIES reports.

COMPILATION OF VALUE ADDED FOR REAL ESTATE SECTOR (CONTD.)

Housing services (dwelling)

- Annual average maintenance cost of the households, in the base year, obtained from the HIES report is used as intermediate consumption.
- Accordingly, constant price estimates of GO, IC and VA of dwelling housing services is estimated first.
- In order to estimate current price estimates, House Rent Index (HRI) is used.

COMPILATION OF VALUE ADDED FOR REAL ESTATE SECTOR (CONTD.)

Housing services (non-dwelling)

- Number of non-dwelling units is obtained from the Economic Census 2001/2003 (number of permanent establishments).
- Stock of non-dwelling units is adjusted for owner occupied buildings/establishments (i.e. the only the rented non-dwelling units are considered).
- Annual average house rent and maintenance cost for the base year is obtained from the Survey of Housing Services (adjusted using HRI).

COMPILATION OF VALUE ADDED FOR REAL ESTATE SECTOR (CONTD.)

Housing services (non-dwelling)

- Accordingly, constant price estimates of GO, IC and VA of non-dwelling housing services is estimated first.
- In order to estimate current price estimates, House Rent Index (HRI) is applied.

COMPILATION OF VALUE ADDED FOR REAL ESTATE SECTOR (CONTD.)

Business services

- Information on gross output, intermediate consumption, and value added for business services is obtained from the Annual Establishment and Institution Survey (AEIS).
- In order to obtain the constant price estimates, CPI of miscellaneous goods and services is used.

COMPILATION OF VALUE ADDED FOR REAL ESTATE SECTOR (CONTD.)

Real estate activities

- Information on gross output, intermediate consumption, and value added for real estate companies is obtained from the Annual Establishment and Institution Survey (AEIS).
- Estimates of average GO, IC and VA of real estate companies are applied to the number of establishments in order to obtain the constant price estimates.
- To obtain the current price estimates, Construction Material Price Index (CMPI) is used.

ISIC Rev.3.1 VS Rev.4

In ISIC, rev.4, the RRBS sector is reclassified in to following 3 sectors:

- L - Real Estate Activities
- M - Professional Scientific and Technical activities
- N - Administrative and Support Service activities

DATA SOURCES

- Population and Housing Census, 2001, 2011.
- Economic Census, 2001/2003
- Household Income and Expenditure Survey (HIES)
- Annual Establishment and Institution Survey, 2002-03, 1995-96
- Real Estate and Housing Association of Bangladesh
- Survey of Housing Services, 1997-98
- Business Services Survey (BSS)
- WS

Thank You