

GDP per capita in purchasing power standards

## **GDP per capita in the Member States ranged from 44% to 271% of the EU27 average in 2010**

In 2010, the Gross Domestic Product (GDP) per capita in **Luxembourg**<sup>1</sup>, expressed in purchasing power standards<sup>2</sup> (PPS), was more than two and a half times the EU27 average, while the **Netherlands** recorded a level one third above the average. **Ireland, Denmark, Austria** and **Sweden** were between 20% and 30% above the EU27 average, while **Belgium, Germany** and **Finland** were between 15% and 20% above average. The **United Kingdom** and **France** registered GDP per capita around 10% above the EU27 average, while **Italy, Spain** and **Cyprus** were around the average.

**Greece, Slovenia, Malta, Portugal** and the **Czech Republic** were between 10% and 20% lower than the EU27 average, while **Slovakia** was around 25% below. **Hungary, Estonia, Poland, Lithuania** and **Latvia** were between 35% and 50% lower, while **Romania** and **Bulgaria** were around 55% below the EU27 average.

These data for 2010, 2009 and 2008, published<sup>3</sup> by **Eurostat, the statistical office of the European Union**, are based on revised<sup>4</sup> purchasing power parities, and the latest GDP and population figures. They cover the 27 EU Member States, three EFTA Member States, four EU Candidate Countries and three Western Balkan countries.

### **Actual Individual Consumption per capita in the Member States ranged from 42% to 150% of the EU27 average in 2010**

While GDP per capita is often used as an indicator of countries' level of welfare, it is not the only such indicator. An alternative welfare indicator, better adapted to reflect the situation of households, is Actual Individual Consumption (AIC) per capita<sup>5</sup>. Generally, levels of AIC per capita are more homogeneous than those of GDP but still there are substantial differences across the Member States. In 2010, AIC per capita expressed in PPS ranged between 50% above the EU27 average in **Luxembourg** and nearly 60% below average in **Bulgaria**.

**GDP and AIC per capita in PPS, EU27 = 100**

	GDP per capita			AIC per capita		
	2008	2009	2010	2008	2009	2010
<b>EU27</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Euro area (EA17)<sup>6</sup></b>	<b>109</b>	<b>109</b>	<b>108</b>	<b>107</b>	<b>107</b>	<b>107</b>
<b>Luxembourg</b>	279	266	271	151	153	150
<b>Netherlands</b>	134	132	133	119	118	116
<b>Ireland</b>	133	128	128	109	103	102
<b>Denmark</b>	125	123	127	114	113	114
<b>Austria</b>	124	125	126	113	115	116
<b>Sweden</b>	124	119	123	115	115	114
<b>Belgium</b>	116	118	119	108	109	110
<b>Germany</b>	116	116	118	113	116	117
<b>Finland</b>	119	115	115	110	110	111
<b>United Kingdom</b>	112	111	112	124	121	121
<b>France</b>	107	108	108	111	113	113
<b>Italy</b>	104	104	101	103	103	102
<b>Spain</b>	104	103	100	99	95	95
<b>Cyprus</b>	99	100	99	108	101	103
<b>Greece</b>	92	94	90	104	104	101
<b>Slovenia</b>	91	87	85	82	82	80
<b>Malta</b>	79	82	83	81	85	83
<b>Portugal</b>	78	80	80	83	84	84
<b>Czech Republic</b>	81	82	80	69	72	71
<b>Slovakia</b>	73	73	74	70	72	71
<b>Hungary</b>	64	65	65	62	62	60
<b>Estonia</b>	69	64	64	64	58	57
<b>Poland</b>	56	61	63	61	64	66
<b>Lithuania</b>	61	55	57	70	63	61
<b>Latvia</b>	56	51	51	59	50	50
<b>Romania</b>	47	47	46	49	46	45
<b>Bulgaria</b>	44	44	44	45	43	42
<b>Norway</b>	192	176	181	132	135	136
<b>Switzerland</b>	143	144	147	122	123	125
<b>Iceland</b>	124	118	111	122	109	105
<b>Croatia</b>	64	64	61	60	58	56
<b>Turkey</b>	47	46	49	50	50	53
<b>Montenegro</b>	43	41	41	54	49	51
<b>Former Yugoslav Rep. of Macedonia</b>	34	36	36	40	41	41
<b>Serbia</b>	36	36	35	44	44	43
<b>Bosnia and Herzegovina</b>	30	31	31	37	37	37
<b>Albania</b>	26	28	28	29	31	31

1. The high GDP per capita in Luxembourg is partly due to the country's large share of cross-border workers in total employment. While contributing to GDP, these workers are not taken into consideration as part of the resident population which is used to calculate GDP per capita. For comparison, Gross National Income per capita in Luxembourg is around 195% of the EU average.
2. The Purchasing Power Standard (PPS) is an artificial currency unit that eliminates price level differences between countries. Thus one PPS buys the same volume of goods and services in all countries. This unit allows meaningful volume comparisons of economic indicators across countries. Aggregates expressed in PPS are derived by dividing aggregates in current prices and national currency by the respective Purchasing Power Parity (PPP). The level of uncertainty associated with the basic price and national accounts data, and the methods used for compiling PPPs imply that differences between countries that have indices within a close range should not be over-interpreted.
3. **Eurostat**, Statistics in Focus, 64/2011, "**GDP per capita varied by more than six to one across the EU in 2010**". The publication is available free of charge in PDF format on the Eurostat website.
4. The regular publication schedule of PPPs includes four estimates for a particular year. The first estimate for 2010, based partly on projections, was published in News Release 91/2011 of 21 June 2011. The present News Release corresponds to the second estimate. The 2010 figures will be revised again in December 2012 and finalised in 2013.
5. Indicators reflecting directly the situation of households are more adapted than GDP to reflect welfare. The level of consumption per head is one of these. In national accounts, Household Final Consumption Expenditure (HFCE) denotes expenditure on goods and services that are purchased and paid for by households. Actual Individual Consumption (AIC), on the other hand, consists of goods and services actually consumed by individuals, irrespective of whether these goods and services are purchased and paid for by households, by government, or by non-profit organisations. In international volume comparisons of consumption, AIC is often seen as the preferable measure, since it is not influenced by the fact that the organisation of certain important services consumed by households, like health and education services, differs a lot across countries. For example, if dental services are paid for by the government in one country, and by households in another, an international comparison based on HFCE would not compare like with like, whereas one based on AIC would. AIC is listed among the recommendations of the Stiglitz-Sen-Fitoussi report.
6. The euro area (EA17) consists of Belgium, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovenia, Slovakia and Finland.

Issued by:  
**Eurostat Press Office**

**Tim ALLEN**  
Tel: +352-4301-33 444  
[eurostat-pressoffice@ec.europa.eu](mailto:eurostat-pressoffice@ec.europa.eu)

Eurostat news releases on the Internet:  
<http://ec.europa.eu/eurostat>

For further information on the data:

**Paul KONIJN**  
Tel: +352-4301-33 438  
[paulus.konijn@ec.europa.eu](mailto:paulus.konijn@ec.europa.eu)

**Jukka JALAVA**  
Tel: +352-4301-38 435  
[jukka.jalava@ec.europa.eu](mailto:jukka.jalava@ec.europa.eu)