

Contribution to growth and share of
GDP in real terms, 2005

	Contribution to growth %	Share of GDP %
AGRICULTURE, FISHING & FORESTRY	-0.3	18
INDUSRTY	0.8	10
SERVICES	6.2	72
GROSS DOMESTIC PRODUCT	6.8	100

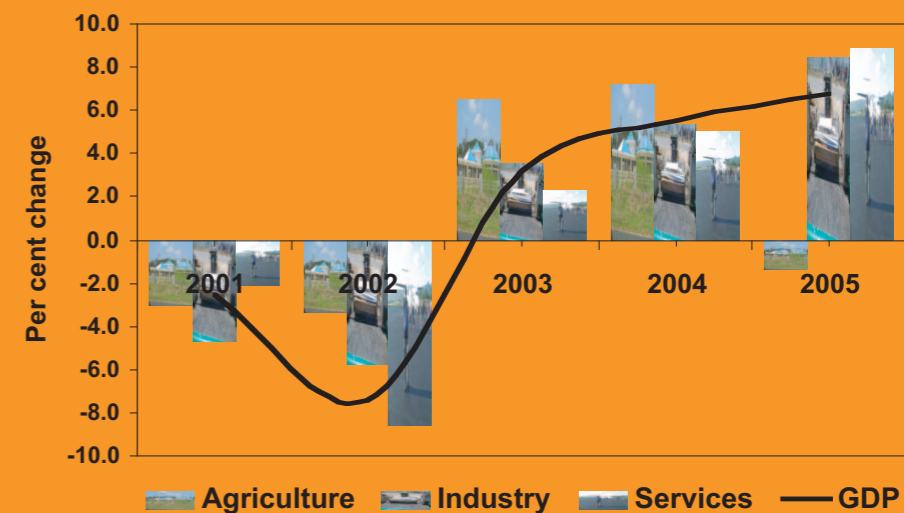
The economy of Vanuatu increased by 6.8% in real terms in 2005, underpinned in part by rising output in manufacturing, construction and services producing industries and a pickup in tourism following the start up of low-cost flights from Australia by 'no-frills' Pacific Blue Airlines.

This growth was commendable, as it was achieved amidst rising oil prices and strong international competition for commodity exports. The economy has grown while inflation remained low. The overall price inflation as measured by the gross domestic product (GDP) deflator was 2.1%, slightly lower than the 2.2% recorded in 2004.

NATIONAL ACCOUNTS OF VANUATU 2005



Annual real GDP growth, 2001-2005



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PUBLICATIONS

REGULAR PUBLICATIONS

ANNUAL

National Accounts of Vanuatu
Annual Statistics Indicators
Detail Commodity Tables on Overseas Trade
Vanuatu in Figures

QUARTERLY

Quarterly Statistical Indicators

MONTHLY

Tourism and Migration
Overseas Trade

SPECIAL PUBLICATIONS

National Population and Housing Census, Main Report 1999;
National Population Census, Demographic Analysis 1999
Vanuatu 2000 Labour Market Survey
Annual Business Survey 2001
Statistical Year Book of Vanuatu - 2002
International Visitors Survey 2004 - Snapshot
Agricultural Census in Vanuatu 2006 - Snapshot

Forward

The need for timely national accounts has gain high priority to measure the country's economic performance. National accounts data play a vital role in the development and monitoring of sound economic and financial programs by the Vanuatu government. This is the third of the annual national accounts publication to be released by the National Statistics Office. This report contains gross domestic product (GDP) estimates for six years from 2000 to 2005, at current and constant prices. The comprehensive sets of tables are given for sub sectors of GDP and more disaggregation of the agriculture, industry and services value added are presented separately.

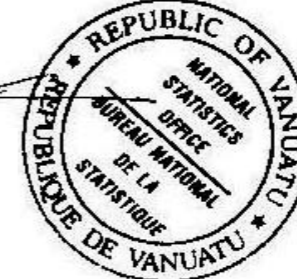
For GDP compilation, data from a wide range of sources were brought together, some collected by the Statistics Office and some were administrative and secondary data from other organizations. Due to lack of timely data more assumptions had to be made and more use was made of indirect indicators.

This task was undertaken by Pita Toa, Statistician, under the overall guidance of Cecil Ipalawatte, Technical Adviser, AusAID Governance for Growth Program.

The continued assistance given by the private and public sector organizations who supplied primary data to make this publication are very much appreciated.

I hope this publication will meet the interest of the data users including policy makers, academics and researchers etc.


Mr. Simil Johnson
Acting Government Statistician



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expenditure approaches. It is placed on the expenditure side of the gross domestic product account in recognition of the more robust nature of the data sources used to estimate the production measure of GDP. It is also shown in the national and household income accounts on the disbursements side of these accounts because household final consumption expenditure is regarded as being less firmly based than other items in those accounts.

Subsidies

Subsidies are current unrequited payments that government units, including non-resident government units, make to enterprises on the basis of the level of their production activities or the quantities or value of the goods or services that they produce, sell or import.

Taxes on Production and Imports

Taxes on production and imports consist of taxes payable on goods and services when they are produced, delivered, sold or otherwise disposed of by their producers plus taxes and duties on imports that become payable when goods enter the economic territory or when services are delivered to resident units by non-resident units. Included are import and export duties, VAT, hotel turnover tax, business and professional licenses and other selective taxes on services such as airport taxes.

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similar charges payable on financial or tangible non-produced assets borrowed or rented by the enterprises, or any interest, rent or similar receipts receivable on financial or tangible non-produced assets owned by the enterprises (for unincorporated enterprises owned by households, this component is called "mixed income").

Property Income

Property income is the income receivable by the owner of a financial asset or a tangible non-produced asset in return for providing funds to, or putting the tangible non-produced asset at the disposal of, another institutional unit. It consists of interest, dividends, reinvested earnings on direct foreign investment and rent.

Residence

An institutional unit is resident in a country when it has a center of economic interest in the economic territory of that country.

Resident households and individuals. All individuals living within the domestic territory of the

country except the following: (a) foreign visitors staying in the country for less than one year; (b) crew members of foreign vessels on lay-over; (c) commercial travellers and seasonal workers in the country for less than one year; (d) official, diplomatic and consular representatives and members of the armed forces of a foreign country; and (e) employees of international bodies who are not citizens of the country and are on a mission of less than one year in duration.

Resident industries. Units engaged in production on the domestic territory of the country, including branches of foreign enterprises.

Resident government bodies. Central and local governments of the country located in its territory, including the country's embassies and consulates abroad. International organizations located in the territory are considered as non-resident.

Statistical Discrepancy

The statistical discrepancy is the difference between GDP estimated using the production and

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production units that operate on a small scale and at a low level of organization, with little or no division between labour and capital as factors of production, and with the primary objective of generating income and employment for the persons concerned.

Intermediate Consumption

Intermediate consumption consists of the value of the goods and services consumed as inputs by a process of production, excluding fixed assets whose consumption is recorded as consumption of fixed capital.

National Disposable Income

National disposable income may be derived from national income by adding all current transfers in cash or in kind receivable by resident institutional units from non-resident units, and subtracting all current transfers in cash or in kind payable by resident institutional units to non-resident units.

National Saving

Saving is disposable income less final consumption expenditure. National saving may be disaggregated by institutional sector. Separate estimates are shown for personal saving, government saving and corporate saving. Gross disposable income is calculated as gross national income less net current transfers from non-residents.

Net Lending

Net lending is the net amount a unit or sector has available to finance, directly or indirectly, other units or other sectors. It is the balancing item in the capital account. Negative net lending may be described as net borrowing.

Operating Surplus

Operating surplus measures the surplus or deficit accruing from production before taking account of any interest, natural resource rent or

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Gross National Income (GNI)

GNI is equal to GDP less net taxes on production and imports less compensation of employees and property income payable to the rest of the world plus the corresponding items receivable from the rest of the world.

Gross Operating Surplus

Gross operating surplus is equal to operating surplus before the deduction of any allowance for the consumption of fixed capital (i.e. depreciation).

Gross Value Added

Gross value added is the value of output less the value of intermediate consumption. It is a measure of the contribution to GDP made by an individual producer, industry or sector.

Household Final Consumption Expenditure

Household final consumption expenditure consists of the

expenditure, including imputed expenditure, incurred by resident households on individual consumption goods and services, including those sold at prices that are not economically significant.

Imports of Goods and Services

Imports of goods and services consist of purchases, or receipts of gifts or grants, of goods and services received by residents from non-residents. The treatment of exports and imports in the national accounts is generally identical with that in the balance of payments accounts.

Imputed Expenditure

Some transactions, which are desirable to include in the accounts, do not take place in money terms and so cannot be measured directly; in such cases a conventional value is imputed to the corresponding expenditure.

Informal Sector

The informal sector is broadly characterized as comprising

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NATIONAL OUTPUT AND EXPENDITURE**Overview**

The economy of Vanuatu grew strongly in 2005, 6.8 per cent in real terms, underpinned in part by rising output in the forestry, beef and kava industries, strong construction activities and a pickup in tourism following the start up of low-cost flights from Australia by the 'no-frills' Pacific Blue Airlines. As in 2004, tourism provided the major impetus to economic growth during 2005. Even though the pattern and amount of tourist expenditure and the extent of tourism's direct and indirect contributions to the economy has not been estimated, it is known that, expenditure flows through to local labour and producers of goods and services used in transport, communication, wholesale and retail trade, banking and insurance and hotels and accommodation services.

This growth was commendable, as it was achieved amidst rising oil prices and strong international competition for commodity exports. The economy has grown while inflation remained low. The overall price inflation as measured by the gross domestic

product (GDP) deflator was 2.1%, slightly lower than the 2.2 per cent recorded in 2004. This increase is explained by rising oil prices and demand pressure on prices driven by high credit growth.

The GDP per capita for 2005 is estimated at 184 870 VT at current market prices, an increase of 6.2 per cent over the previous year. In US dollar terms, per capita GDP increased by 2.6 per cent to US dollars 1 660, from US dollars 1 617 in 2004.

Among the three major economic sectors, the services sector achieved the highest growth rate of 8.8 per cent in real terms and contributed 6.2 percentage points to the overall growth in 2005¹. This growth was broad-based, reflecting improved performance in most sub-sectors, including finance and

¹ The formula used to calculate the contribution of each aggregate to the growth in GDP is:

$$\frac{A(t) - A(t-1)}{GDP(t-1)} \times 100,$$

where A (t) is value of aggregate A in current year, A (t-1) is value of aggregate A in the previous year, and GDP (t-1) is value of GDP in the previous year.

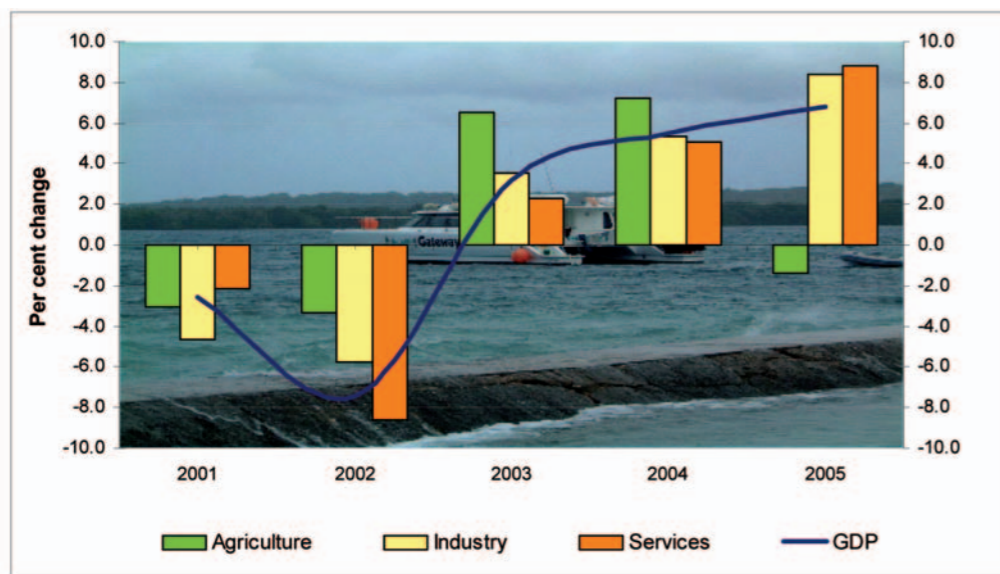
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insurance, real estate and business services, wholesale and retail trade, and transport and communication. As in 2004, tourism provided the major impetus to growth in the services sector.

The industry sector grew by 8.4 per cent in real terms and contributed 0.8 percentage points to

overall growth. The construction sub-sector performed well in 2005 with 12.2 per cent growth. A number of new hotels constructed in Port Vila and expanding the airport and the runway on Vanuatu's biggest island, Espiritu Santo, not only created additional construction work, but helped increase the economy's aggregate productive capacity.

Figure 1 Annual real GDP growth rates, 2001 – 2005



Source: National Statistics Office

In contrast to 2004, the agriculture sector decreased in value by 1.4 per cent in real terms in 2005 and contributed negatively to economic growth by 0.3 percentage points, despite a significant increase in performance in the beef, kava and forestry sub-sectors. The decline in

the agriculture sector was mainly attributable to a drop in value of copra export. International prices for copra, the main agricultural export, continued to be favourable in the first half of 2005, however, prices declined in the third and fourth quarter. The amount of copra

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(other than fixed assets). Fees charged by the government for goods and services rendered are offset against purchases.

Gross Domestic Product (GDP)

GDP is the market value of the final output of goods and services produced by all resident producers in the country, before any allowance for the consumption of fixed capital. It is also defined as the sum of the gross value added of all the productive sectors of the economy. Gross value added refers to the unduplicated output of industries and it is usually estimated by deducting from total sales or revenue the intermediate costs. Intermediate costs cover payments made for raw materials, supplies and services rendered by others. Gross value added is also equal to the sum of compensation of employees, gross operating surplus earned by domestic producers, and taxes less subsidies on production and imports.

GDP, in other words, is simply the sum total of all factor income generated by resident economic agents for a specific period of time. This income is then used to purchase

final goods and services in the market for consumption (household and government) and for investment or capital formation (construction, durable equipment and changes in inventories). That part of output not consumed domestically is exported.

Gross Fixed Capital Formation

Gross fixed capital formation is measured by the total value of a producer's acquisitions, less disposals, of fixed assets during the accounting period. Expenditure on fixed assets is disaggregated into construction and land improvement, and durable equipment. Also included is compensation of employees paid by enterprises in connection with own-account capital formation.

Gross National Expenditure

Gross national expenditure comprises the sum of final consumption expenditure, for both households and general government, and gross capital formation (gross fixed capital formation plus changes in inventories).

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Compensation of Employees

Includes the total remuneration, in cash or in kind, payable by enterprises to employees in return for work done by the latter during the accounting period. Compensation of employees comprises wages and salaries, and employer social contributions. Employer social contributions comprise workers' compensation and employers' contributions to superannuation funds.

Current Transfers

Current transfers consist of all transfers that are not transfers of capital. They directly affect the level of disposable income and should influence the consumption of goods and services. Current transfers that take place between residents and non-residents are also referred to as current transfers from/to abroad.

Employer Social Contributions

Employer social contributions comprise workers' compensation and employers' contributions to superannuation funds. In Vanuatu

most employers make contributions on behalf of their employees to the Vanuatu National Provident Fund, but some employers make contributions to other superannuation funds.

Exports of Goods and Services

Exports of goods and services consist of sales, or gifts or grants, of goods and services from residents to non-residents. The treatment of exports and imports in the national accounts is generally identical with that in the balance of payments accounts.

Government Final Consumption Expenditure

Government final consumption expenditure consists of expenditures, including imputed expenditure, incurred by general government (national and local government) on both individual consumption of goods and services and collective consumption of services. It comprises expenditure on compensation of employees (other than those charged to capital works), and goods and services

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collected from producers in the outer islands also dropped, resulting in less copra arriving in Santo as the Vanuatu Commodities Marketing Board's (VCMB) initiative to have co-operative societies purchase copra directly from farmers did not achieved the expected results.

Government consumption grew at 4.2 per cent while private household consumption increased by 5.0 per cent at current market prices. The investment climate, which improved considerably in 2004, continued strongly in 2005 as well. Private sector investment increased by 14 per cent, benefiting from growth in construction activities in the hotel and accommodation sector. The value of imported investment goods and durable equipment increased by 2.7 per cent. Total investment as a proportion of GDP rose from 19 per cent in 2004 to 20 per cent in 2005.

The gross national income, defined as GDP adjusted for net factor income from abroad, grew at a lower rate than GDP, 7.7 per cent at current market prices, marginally higher than in the previous year.

The net property and entrepreneurial income remained negative and deteriorated by 2 692 million VT in 2005.

Output**Agriculture**

The Agriculture, Fishing and Forestry sector declined by 1.4 per cent in real terms in 2005 after registering a growth of 7.2 per cent in 2004. A significant decline in copra exports was the major contributor to this negative growth. However, this decline was partly offset by improved performance in kava, forestry and logging and beef exports, which grew 36.5 per cent, 20.0 per cent and 22.4 per cent in real terms respectively. The share of agriculture sector in GDP declined from 19.7 per cent in 2004 to 18.2 per cent in 2005. The shrinking of the Agriculture sector's share with the relatively higher growth of the services and industry sectors was further exacerbated by the contraction in the copra sub sector.

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Table 1 Sectoral composition and change in GDP at constant (1983) prices, 2004-2005

At Constant (1983) prices	Rate of change (%)		Contribution to change in GDP (%)		Share of GDP (%)	
	2004	2005	2004	2005	2004	2005
AGRICULTURE, FISHING & FORESTRY	7.2	-1.4	1.4	-0.3	19.7	18.2
Custom/traditional agriculture*	2.2	2.2	0.2	0.2	10.6	10.2
Export agriculture**	17.6	-7.6	1.3	-0.6	8.2	7.1
Other commercial agriculture***	-3.8	8.2	0.0	0.0	0.4	0.4
Forestry and logging	-23.1	20.0	-0.1	0.1	0.4	0.5
INDUSTRY	5.4	8.4	0.5	0.8	9.7	9.8
Manufacturing	5.0	7.9	0.2	0.3	3.7	3.8
Electricity	3.5	4.1	0.1	0.1	2.5	2.5
Construction	7.2	12.2	0.2	0.4	3.4	3.6
SERVICES	5.1	8.8	3.6	6.2	70.7	72.0
Wholesale and Retail Trade	-1.7	11.7	-0.5	3.3	28.4	29.7
Hotels and Restaurants	13.6	7.5	0.7	0.4	5.5	5.5
Transport and Communication	15.5	7.6	1.5	0.8	10.4	10.5
Finance and Insurance	6.3	18.7	0.5	1.5	8.0	8.9
Real Estate and Business Services	17.6	10.9	1.2	0.9	7.9	8.2
Government Services	0.7	2.0	0.1	0.3	13.2	12.6
Personal Services	0.7	1.7	0.0	0.0	0.9	0.9
Domestic Services	4.2	4.2	0.0	0.0	0.9	0.9
GROSS DOMESTIC PRODUCT	5.5	6.8	5.5	6.8	100.0	100.0

Source: National Statistics Office

* Includes production of fruits, vegetables, kava, and other food items from the garden plots as well as livestock, poultry, fishing and forestry output by households.

** Includes copra, beef, kava, cocoa and coffee.

*** Includes fishing, poultry and fruits & vegetables.

Industry

The industry sector, consisting of the three sub-sectors of manufacturing, electricity, and construction grew by 8.4 per cent in real terms in 2005 compared to 5.4 per cent in 2004. The share of the industry sector in GDP increased

marginally from 9.7 per cent in 2004 to 9.8 per cent in 2005 and contributed 0.8 percentage points of the overall growth in 2005. In the manufacturing sector, the output of food industries, which accounted for over 50 per cent of manufacturing

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APPENDIX 2**GLOSSARY OF NATIONAL ACCOUNTING TERMS****At Constant (average 1983) Prices**

An aggregate at constant (average 1983) prices is the value obtained by applying the base year (1983) prices to the quantities of the goods and services that comprise the aggregate for each period in the time series. Estimates at constant prices reflect real changes, and in practice are obtained either by deflating current price estimates by relevant price indices or by quantity revaluation (i.e. multiplying the quantities of goods and services in each period by the prices in the base year). Implicit Price Deflators (IPDs) reflect changes in prices from the base year, and are derived by dividing current price estimates by the corresponding estimates at average 1983 prices. However, IPDs are not pure measures of price change as they are also affected by changes in the composition of the aggregates over time.

Capital Transfers

Capital transfers are transactions, either in cash or in kind, in which the ownership of an asset (other than cash or inventories) is transferred from one institutional unit to another, or in which cash is transferred to enable the recipient to acquire another asset, or in which the funds realized by the disposal of another asset are transferred. A capital transfer in kind consists of the transfer of ownership of an asset or cancellation of a liability by a creditor, without any counterpart being received in return.

Changes in Inventories

Changes in inventories consist of changes in: (a) stocks of outputs that are still held by the units that produced them prior to their being further processed, sold, delivered to other units or used in other ways: and (b) stocks of products acquired from other units that are intended to be used for intermediate consumption or for resale without further processing. Changes in inventories may be classified into finished goods, work in progress and raw materials.

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Household Final Consumption Expenditure

Household final consumption expenditure is estimated using the commodity flow method. Available supply is estimated by adding together custom/traditional production, other local production, imports, import duties and a trade mark-up. The value of intermediate consumption, exports and government consumption are deducted from this total to derive the household final consumption expenditure.

Gross Fixed Capital Formation

Estimates for annual expenditure on fixed assets are derived from imports and production statistics by the use of the commodity flow approach. The aggregate for construction and land improvements is estimated as the value of output of the construction industry. Estimates for annual expenditure on durable equipment are derived from import statistics.

Changes in Inventories

Changes in inventories are compiled by industry and are derived mainly from data collected in the annual business survey. For construction, a proportion of the imports of building materials each year are assumed to remain in inventories at the end of the year and to be used in construction work the following year. Estimates of changes in inventories for cattle are derived by deducting slaughtering and live exports from estimates of the natural increase in the herd.

Exports and Imports of Goods and Services

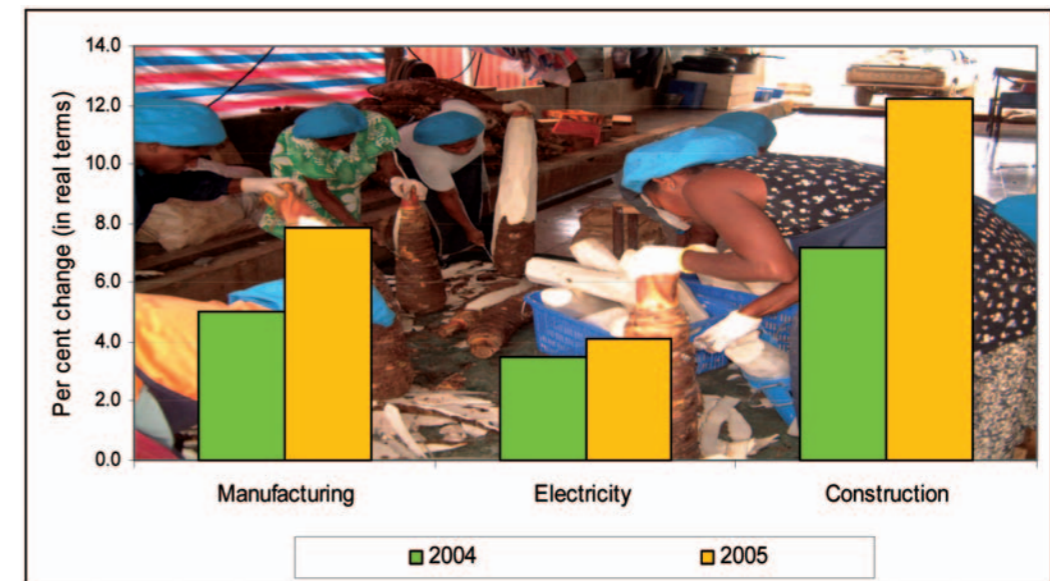
Data on merchandise trade are obtained from the detailed overseas trade statistics maintained by the National Statistics Office.

Time series data on non-merchandise exports and imports are available from the Balance of Payments statistics compiled by the Reserve Bank of Vanuatu.

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output, grew by 6.7 per cent in real terms in 2005.

Figure 2: Manufacturing sector, annual growth rates, 2004 – 2005



Source: National Statistics Office

The electricity, gas and water sector expanded in real terms by 4.1 per cent in 2005. Electricity generation increased in 2005 with growing demand in the household, commercial and industrial sectors.

The construction sector grew by 12.2 per cent during 2005 over a growth of 7.2 per cent during the previous year.

Various construction projects were implemented during 2005 including a number of new hotels in Vila and Santo and a schools construction program as well as other infrastructure projects funded by foreign countries. The growth in this sector was evident from the growth in imports and domestic production of building materials.

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Services

The services sector maintained its relative importance in the economy and contributed most to overall economic growth. Many sub-sectors in the services sector have expanded steadily during the last two years. As in the previous year, the service sector provided the major impetus to economic growth. In 2005, the service sector's contribution to GDP was 6.2 percentage points.

The services sector achieved 8.8 per cent growth in 2005 and this acceleration was mainly due to the strong growth in finance and insurance, real estate and business services, wholesale and retail trade, hotels and restaurants and transport and communication.

The wholesale and retail trade sector increased by 11.7 per cent in real terms in 2005. The acceleration was seen in all three main import categories, namely, consumer goods, intermediate goods and investment goods. Consumer goods imports increased by 6.9 per cent while intermediate goods increased by 2.7 per cent. Building materials,

transport equipment and other investment goods imports also increased significantly.

The hotels and restaurants sub-sector recorded an increase of 7.5 per cent with a modest increase in tourist arrivals during 2005. The total number of arrivals amounted to 62 123 in 2005 compared to the previous year's total of 61 454.

The transport, storage and communication sector increased by 7.6 per cent. This growth was mainly driven by the growth in telecommunication by the upward trends in mobile phone usage and increase usage of internet and emails in 2005. Other private transport services, including busses and taxis reported considerable growth.

Financial and insurance services increased by 18.7 per cent in real terms in 2005. Although lending rates did not increase significantly in 2005, the interest income of the banking sector reported a 22 per cent increase in current terms, reflecting high credit

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costs are obtained from the annual reports for the respective data sources.

Annual income and expenditure statements from annual reports are also used for compiling estimates for banks, airlines, Vanuatu Post and Telecom.

The value added arising from government services is calculated as the sum of value added for government departments, provincial governments and municipalities, and other agencies within the general government sector.

Estimates for gross operating surplus and value added for both rented and owner-occupied dwellings are included in the real estate and business services industry. Data on rent tax collections provides a useful indicator for estimating gross rent for rented dwellings.

Benchmark data for Nakamals, bus and taxi operators, and handicraft producers were obtained from the 2000 Informal Sector Survey. These data were used to derive estimates for total revenue and gross value added for these industry sectors.

Income generated from domestic services is equal to the estimated expenditures of urban households on domestic help. Benchmark estimates for the number of domestic servants are obtained from the periodic Population Censuses.

EXPENDITURE COMPONENTS OF GDP**Government Final Consumption Expenditure**

Vanuatu's government financial statistics provide detailed information on the receipts and recurrent expenditures of the central government. The corresponding data for the provincial governments were made available from the provincial government administration office.

Technical assistance grants provided under bilateral or multilateral arrangements are treated as imports of services from the donor governments or international organizations, following the treatment used in the Balance of Payments (BOP).

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Value added for components of custom/traditional agriculture, such as fruits and vegetables, fishing and poultry is calculated using benchmark data from the 1983 Agricultural Census and the 1989 and 1999 Population Censuses.

Value added for forestry and logging is based on production estimates compiled by the Department of Forestry.

Manufacturing

The main data source for the manufacturing estimates is the annual business survey. However, for the years 2000 to 2005, the current price estimates for manufacturing production are extrapolated using movements derived from VAT sales data collected by the Department of Customs and Inland Revenue.

Electricity, Gas and Water

Value added data are obtained from detailed income and expenditure statements included in the annual reports of UNELCO.

Construction

The value of output is calculated using the value of imported building materials and locally available building materials used in construction activities. An imputation is included for own account construction of dwellings in the subsistence sector.

Service Industries

The value added for wholesale trade, retail trade, hotels and restaurants, financial services, insurance services, real estate and business services and other services are estimated using data obtained from the 2001 annual business survey. However, for the years 2000 to 2005, the current price estimates for services industries are extrapolated using movements derived from VAT sales data collected by the Department of Customs and Inland Revenue.

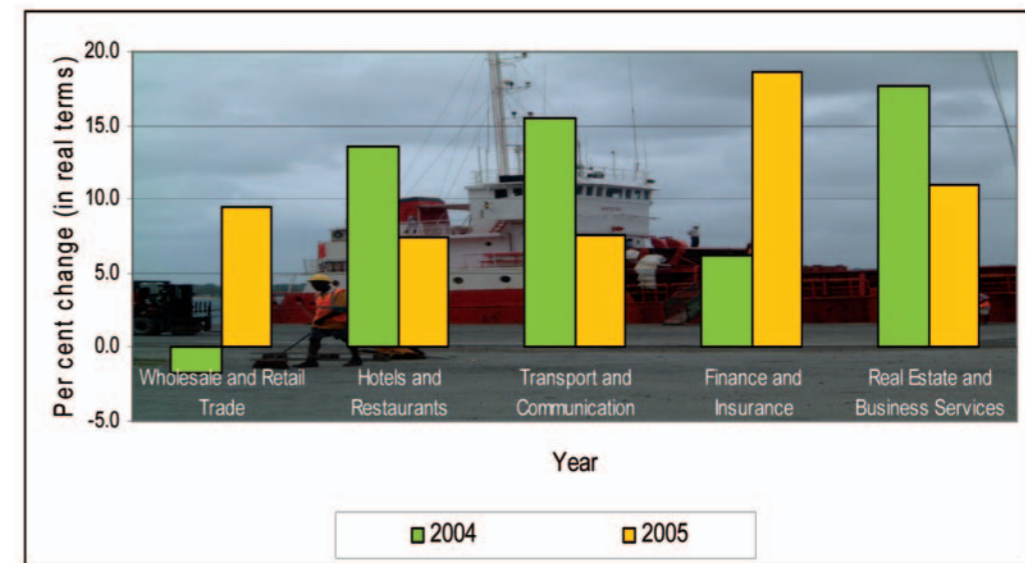
The wholesale and retail industry also includes, co-operatives and petroleum companies. Separate estimates are compiled for each of these sub-sectors. Data for annual sales, intermediate inputs and other

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growth. Insurance and other financial services grew by 3.9 per cent with moderate income from satisfactory performance in other financial institutions.

Real estate, renting and business services increased by 10.9 per cent, reflecting the continuing demand for such services. A large number of companies involved in real estate development reported high turnover for the year 2005.

Figure 3 Services sector, annual growth rates, 2004 - 2005



Source: National Statistics Office

Expenditure

The aggregate demand generated by domestic economic activity, measured by gross national expenditure increased by 5.6 per cent at current market prices in 2005. Household final consumption expenditure grew by 5.0 per cent while government final consumption

expenditure increased by 4.2 per cent. Investment growth continued to be higher than consumption growth.

With the continued expansion of per capita income, consumption of communication services grew at a

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higher rate than that of most goods. The share of household final consumption remained around 77 per cent of total consumption expenditure in 2005. Food, beverages and tobacco (41 per cent), transport and communication (28 per cent) and housing, electricity, water, gas and other fuel (8 per cent) accounted for nearly 77 per cent of household private consumption expenditure in 2005. In contrast the share of education and health expenditure remained significantly low (one per cent and two per cent respectively).

The expansion in government consumption expenditure was due to increased consumption of goods and services as well increased expenditure on salaries and wages. In 2005, investment expenditure (gross fixed capital formation) at current market prices increased by 7.7 per cent.

Imports of construction materials rose at 15 per cent while imports of machinery and equipment rose by 2.7 per cent.

Availability and utilisation of resources

Of the total supply of goods and services at current prices, the share attributable to domestic economic activities reached 63 per cent, while 37 per cent were imported. The supply of domestic services (48 per cent) outweighed domestic goods (15 per cent) with trading activities, transport, communication and financial services contributing significantly. In contrast, imports consisted mainly of goods (25 per cent) with imported services small at 12 per cent.

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approaches. The data sources available for the production approach are more robust than those available for the expenditure approach. Consequently, the official measure of GDP is obtained from the production approach, with a statistical discrepancy being shown on the expenditure side to align the expenditure measure with the production measure.

DATA SOURCES AND ESTIMATION METHODS

GDP BY INDUSTRY

Agriculture, Fishing and Forestry

The value added of this sector is the sum of value added for crops, such as copra, cocoa, kava, coffee, as well as livestock, fishing and forestry. To reflect the landholding structure in Vanuatu, agricultural production is subdivided into customs or traditional agriculture, export agriculture, and other commercial agriculture. Production data on agricultural crops, fish, cattle and forestry are obtained from exporters, the Department of Forestry, the Department of Agriculture, and the Department of

Fisheries. These data are supplemented by external trade data compiled by the National Statistics Office.

Estimates of production for export crops such as copra and cocoa are based on volumes of these commodities received by Exporter Authorities for exports and local sales, valued at prices paid to the farmers, including transport costs. Cattle production is equal to the change in the cattle herd plus cattle exported live and cattle slaughtered for export or for local consumption. Statistics on the value and quantities of cattle slaughtering are obtained from the commercial abattoirs and exports data are extracted from the overseas trade statistics.

The estimates for kava production are compiled separately for two components. First, the volume of kava exported is valued at the prices paid to farmers, including transport costs. Second, an estimate of production for domestic use is based on information from the 1983 Agricultural Census. Output for domestic consumption is split between domestic sales to Nakamals and home consumption.

APPENDIX 1**CONCEPTS, SOURCES AND METHODS OF ESTIMATION****CONCEPTUAL FRAMEWORK**

The conceptual framework used to compile the system of national accounts for Vanuatu is essentially that of the System of National Accounts, 1993 (SNA93), with some adaptations to reflect the situation in an island economy like Vanuatu. In principle, SNA93 cover the entire sequence of accounts and balance sheets. However, in practice, constraints of data availability, time, and resources mean that Vanuatu national accounts are usually less complete than SNA93.

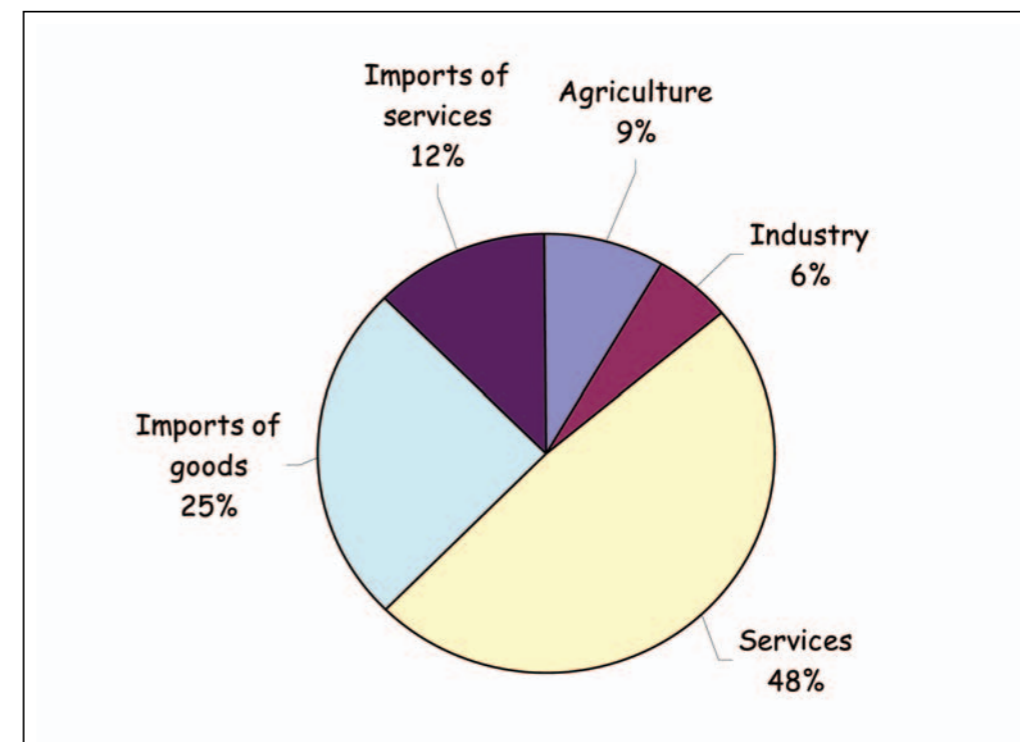
Estimating Vanuatu's national accounts presents a series of problems. The major difficulty is the lack of a full range of detailed statistics that are ideally required to compile national accounts. It is also often difficult to adhere strictly to definitions and standards contained in SNA93.

The national accounts for Vanuatu comprise four main summary accounts – gross domestic product account, national income account, national capital account, and external transactions account – together with supporting tables. At this stage, other elements of the full SNA93 system, such as financial accounts and balance sheets, have not been compiled.

The external transactions account is compiled from the balance of payments statistics published by the Reserve Bank of Vanuatu. From 1996, the balance of payments has been prepared using recommendations contained in the 5th edition of the IMF Balance of Payments Manual (BPM5).

Income and outlay accounts are provided for households and general government. However, not all relevant transactions are included in the household income account. For example, estimates for property income receipts and payments for the household sector have not yet been developed.

Current price estimates for GDP in Vanuatu are compiled using both the production and expenditure

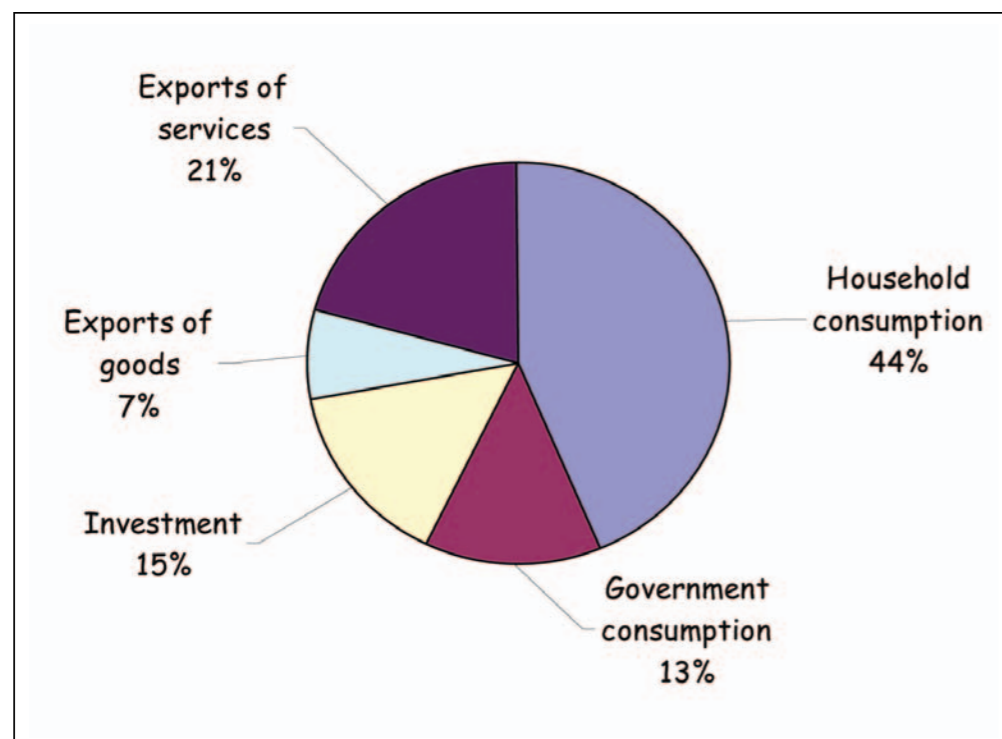
Figure 4 Supply of goods and services (%), 2005

Source: National Statistics Office

Of the total demand for goods and services in 2005, the share of consumption in current price terms

stood at 57 per cent, capital formation at 15 per cent and exports 28 per cent.

National Accounts of Vanuatu

Figure 5 Demand for goods and services (%), 2005

Source: National Statistics Office

Savings

Saving, when not used in final consumption, is the balancing item in the residual gross disposable income. In 2005, the corporate savings grew at a significant rate while the government savings, which is defined as the current account balance of the government budget, maintained the same level as in 2004. National savings, the sum of

domestic savings, net factor income from abroad and net foreign transfers decreased due to deterioration in household savings. The country's gross saving plus net capital transfers were not sufficient to finance the level of gross capital formation, and therefore continue to rely on external resources for investment.

NATIONAL ACCOUNTS OF VANUATU

Table 17 CENTRAL GOVERNMENT EXPENDITURE BY FUNCTION

At Current Prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
General Public Services	1,912	1,969	1,818	1,767	2,191	2,338
Defense	-	4	1	2	-	2
Public Order and Safety	674	645	770	719	761	835
Economic Affairs	1,626	1,475	1,456	1,528	1,369	1,387
Agriculture, forestry and fishing	263	266	265	275	258	283
General Economic, Commercial & Labour Affairs	326	338	414	377	212	220
Industry Sector	436	296	226	284	117	132
Transport & Telecoms	478	464	434	481	561	595
Other Economic Services	123	111	117	111	221	157
Education	1,848	1,932	2,065	2,074	1,957	1,972
Health	904	908	926	925	790	810
Environmental Protection	23	19	20	27	5	6
Housing & Community Amenities	90	121	95	87	25	67
Recreation, Culture & Religion	108	109	66	68	138	140
Social Protection	11	16	11	13	16	-
TOTAL CENTRAL GOVERNMENT EXPENDITURE*	7,787	7,688	7,579	7,412	7,252	7,557

Statistics Office, Port Vila

* Totals for the years 2000 to 2003 exclude some expenditure that are collectively consumed but cannot be classified by functions

NATIONAL ACCOUNTS OF VANUATU

Table 16 HOUSEHOLD FINAL CONSUMPTION EXPENDITURE BY EXPENDITURE GROUPING

At current prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
Food, beverages and tobacco	7,981	8,380	8,799	9,239	9,701	10,186
Clothing and footwear	675	709	744	782	821	862
Housing, water, electricity, gas and other fuels	1,587	1,667	1,750	1,837	1,929	2,026
Furnishing, household equipment and maintenance	696	731	767	806	846	888
Health	410	430	452	475	498	523
Transport and Communications	5,469	5,742	6,029	6,331	6,647	6,980
Leisure, entertainment and culture	303	318	334	350	368	386
Education	146	153	161	169	178	186
Hotels, cafes and restaurants	1,100	1,155	1,213	1,274	1,337	1,404
Miscellaneous goods and services	1,009	1,059	1,112	1,168	1,227	1,288
Private consumption expenditure	19,376	20,345	21,362	22,430	23,552	24,729

Statistics Office, Port Vila

NATIONAL ACCOUNTS OF VANUATU

Table 1 GROSS DOMESTIC PRODUCT ACCOUNT

At Current Prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
Compensation of Employees	13,861	13,906	13,172	13,475	14,196	15,041
Gross Operating Surplus	14,187	14,744	13,390	15,049	16,453	18,499
Total Factor Income	28,048	28,650	26,562	28,524	30,649	33,540
Taxes less Subsidies on Production and Imports	5,601	5,475	5,395	5,661	6,214	6,638
GROSS DOMESTIC PRODUCT	33,649	34,125	31,957	34,185	36,863	40,178
Government Final Consumption Expenditure	7,787	7,688	7,579	7,412	7,252	7,557
Household Final Consumption Expenditure	19,376	20,345	21,362	22,430	23,552	24,729
Gross Fixed Capital Formation	7,181	6,881	6,763	6,540	7,643	8,234
Changes in Inventories	207	(2)	75	95	164	254
Gross National Expenditure	34,551	34,912	35,779	36,477	38,611	40,774
Exports of Goods and Services	14,669	14,226	14,425	15,303	15,578	16,002
Less: Imports of Goods and Services	17,963	18,671	19,454	20,097	21,692	24,304
Statistical Discrepancy	2,392	3,658	1,207	2,502	4,366	7,705
GROSS DOMESTIC PRODUCT	33,649	34,125	31,957	34,185	36,863	40,178

Statistics Office, Port Vila

NATIONAL ACCOUNTS OF VANUATU

Table 2 NATIONAL INCOME ACCOUNT

At Current Prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
Compensation of Employees	13,861	13,906	13,172	13,475	14,196	15,041
Gross Operating Surplus	14,187	14,744	13,390	15,049	16,453	18,499
Taxes less Subsidies on Production and Imports	5,601	5,475	5,395	5,661	6,214	6,638
Net Property and Entrepreneurial Income	-485	-669	-1,604	-1,854	-2,086	-2,692
From Non-residents	3,271	3,187	3,115	2,960	3,037	3,182
To Non-residents	3,756	3,856	4,719	4,814	5,123	5,874
GROSS NATIONAL INCOME	33,164	33,456	30,353	32,331	34,777	37,486
Net Current Transfers	1,894	1,554	1,488	891	1,609	2,168
From Non-residents	2,704	2,503	2,708	2,099	2,727	2,840
To Non-residents	810	949	1,220	1,208	1,119	672
GROSS DISPOSABLE INCOME	35,058	35,010	31,841	33,222	36,386	39,654
Government Final Consumption Expenditure	7,787	7,688	7,579	7,412	7,252	7,557
Household Final Consumption Expenditure	19,376	20,345	21,362	22,430	23,552	24,729
Statistical Discrepancy	2,392	3,658	1,207	2,502	4,366	7,705
National Saving	5,503	3,319	1,693	877	1,216	-338
TOTAL USE OF GROSS DISPOSABLE INCOME	35,058	35,010	31,841	33,222	36,386	39,654

Statistics Office, Port Vila

NATIONAL ACCOUNTS OF VANUATU

Table 15 AGRICULTURE SUMMARY, BY INDUSTRY

At Constant (1983) Prices - Percentage Change

	2001	2002	2003	2004	2005
Custom / traditional agriculture	2.2	2.2	2.3	2.2	2.2
Garden and food crops	2.2	2.2	2.2	2.2	2.2
Kava	2.2	2.2	2.2	2.2	2.2
Fishing	2.2	2.2	2.2	2.2	2.2
Livestock	2.6	2.6	4.1	2.7	2.7
Copra	2.2	2.2	2.2	2.2	2.2
Poultry	2.2	2.2	2.2	2.2	2.2
Firewood	2.6	2.6	2.6	2.5	2.5
Export agriculture	-10.0	-10.1	13.6	14.7	-6.3
Copra	-6.7	-13.2	13.0	27.3	-39.8
Kava	7.6	-20.1	6.6	55.9	36.5
Beef	-2.3	3.0	12.0	-6.0	22.4
Forestry and logging	-29.0	-11.6	3.9	-23.1	20.0
Cocoa	-50.3	8.9	53.8	-45.1	30.2
Coffee	143.5	0.7	16.2	-60.0	150.0
Other commercial agriculture	9.4	-14.6	-1.1	-3.8	8.2
Fishing	13.9	-41.4	16.0	-12.8	6.6
Poultry and dairy	8.2	-4.5	-11.6	3.9	7.7
Fruits and vegetables	3.8	11.1	14.8	-13.6	12.1
Total agriculture	-3.1	-3.4	6.5	7.2	-1.4

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NATIONAL ACCOUNTS OF VANUATU

Table 14 AGRICULTURE SUMMARY, BY INDUSTRY

At Constant (1983) Prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
Custom / traditional agriculture	1,633	1,669	1,706	1,745	1,784	1,824
Garden and food crops	968	989	1,011	1,033	1,056	1,079
Kava	313	320	327	334	342	349
Fishing	141	144	147	151	154	157
Livestock	49	51	52	54	55	57
Coconut	78	80	81	83	85	87
Poultry	11	11	11	12	12	12
Firewood	72	74	76	78	80	82
Export agriculture	1,376	1,238	1,113	1,264	1,450	1,359
Copra	642	599	520	587	747	450
Kava	222	239	191	204	318	433
Beef	240	234	242	271	254	311
Forestry and logging	139	99	87	91	70	84
Cocoa	133	66	72	111	61	79
Coffee	1	1	1	2	1	2
Other commercial agriculture	80	87	74	74	71	77
Fishing	25	29	17	19	17	18
Poultry and dairy	44	48	46	40	42	45
Fruits and vegetables	10	11	12	14	12	13
Total agriculture	3,089	2,994	2,894	3,083	3,305	3,259

Statistics Office, Port Vila

NATIONAL ACCOUNTS OF VANUATU

Table 3 NATIONAL CAPITAL ACCOUNT

At Current Prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
National Saving	5,503	3,319	1,693	877	1,216	-338
Household Saving	-818	-3,020	-2,437	-4,494	-6,011	-8,381
Government Saving	492	75	-251	-243	1,055	1,023
Corporate Saving	5,829	6,264	4,380	5,614	6,171	7,020
Net Capital Transfers from Non-residents	-201	670	-267	473	-240	-175
FINANCE OF GROSS ACCUMULATION	5,302	3,989	1,426	404	976	-513
Gross Fixed Capital Formation	7,181	6,881	6,763	6,540	7,643	8,234
Durable Equipment	4,242	3,869	3,756	3,576	4,414	4,532
Construction and Land Improvement	2,939	3,012	3,007	2,964	3,229	3,702
Own-account Dwellings	183	191	196	188	196	227
Other Construction and Land Improvement	2,756	2,821	2,811	2,776	3,033	3,475
Changes in Inventories	207	-2	75	95	164	254
Net Lending to Non-residents	-2,086	-2,890	-5,412	-6,231	-6,831	-9,001
GROSS ACCUMULATION	5,302	3,989	1,426	404	976	-513

Statistics Office, Port Vila

NATIONAL ACCOUNTS OF VANUATU

Table 4 EXTERNAL TRANSACTIONS ACCOUNT

At Current Prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
Exports of Goods and Services	14,669	14,226	14,425	15,303	15,578	16,002
Domestic Merchandise Exports	3,107	2,467	2,132	2,597	3,390	2,949
Re-exports	408	593	661	652	874	1,217
Other Goods and Services	11,154	11,166	11,632	12,054	11,314	11,836
Income from Non-residents						
Compensation of Employees	425	466	562	480	543	549
Property Income	2,846	2,721	2,553	2,480	2,494	2,633
Current Transfers from Non-residents	2,704	2,503	2,708	2,099	2,727	2,840
To General Government	2,544	2,375	2,228	1,803	2,380	2,308
To Households	160	128	480	296	347	532
Capital Transfers from Non-residents	1,533	2,460	1,481	1,275	1,408	1,479
RESOURCES PROVIDED TO NON-RESIDENTS	22,177	22,376	21,729	21,637	22,750	23,503
Imports of Goods and Services	17,963	18,671	19,454	20,097	21,692	24,304
Imports for Home Consumption	8,812	9,263	10,216	10,496	11,744	13,486
Imports for Re-exports	251	477	165	111	199	137
Freight and Insurance	1,791	1,925	2,052	2,096	2,361	2,692
Other Goods and Services	7,109	7,006	7,021	7,394	7,388	7,989
Income to Non-residents						
Compensation of Employees	310	315	278	312	313	308
Property Income	3,446	3,541	4,441	4,502	4,810	5,566
Current Transfers to Non-residents	810	949	1,220	1,208	1,119	672
From General Government	10	8	10	0	73	148
From Households	800	941	1,210	1,208	1,046	524
Capital Transfers to Non-residents	1,734	1,790	1,748	1,748	1,648	1,654
Net Lending to Non-residents	-2,086	-2,890	-5,412	-6,231	-6,825	-9,012
RESOURCES PROVIDED BY NON-RESIDENTS	22,177	22,376	21,729	21,637	22,750	23,503

Statistics Office, Port Vila

NATIONAL ACCOUNTS OF VANUATU

Table 13 AGRICULTURE SUMMARY, BY INDUSTRY

At Current Prices - Percentage Change

	2001	2002	2003	2004	2005
Custom / traditional agriculture	4.4	3.2	2.4	3.9	6.9
Garden and food crops	5.0	3.0	2.9	2.9	2.2
Kava	2.2	3.2	2.2	4.2	21.7
Fishing	7.1	3.2	2.2	3.1	3.1
Livestock	6.0	2.8	15.3	3.5	3.6
Coconut	1.6	10.8	-10.2	8.0	-13.1
Poultry	1.7	1.8	2.9	3.9	3.9
Firewood	5.4	0.4	-2.2	14.6	2.5
Export agriculture	-12.3	-10.9	6.9	14.8	-16.6
Copra	-7.4	-5.9	-0.8	34.4	-48.8
Kava	0.9	-40.4	0.3	59.1	12.0
Beef	0.2	4.7	9.8	-3.1	3.2
Forestry and logging	-42.9	-1.9	4.0	-25.4	27.0
Cocoa	-51.1	15.7	79.5	-43.7	-14.9
Coffee	150.2	3.4	16.2	-56.6	130.2
Other commercial agriculture	-2.6	-9.8	-2.6	-4.4	16.7
Fishing	-18.2	-23.2	0.7	-12.2	31.8
Poultry and dairy	11.4	-4.0	-9.4	5.2	9.7
Fruits and vegetables	8.9	8.7	12.8	-15.0	10.4
Total agriculture	-2.2	-2.0	3.6	7.2	-0.9

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NATIONAL ACCOUNTS OF VANUATU

Table 12 AGRICULTURE SUMMARY, BY INDUSTRY

At Current Prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
Custom / traditional agriculture	3,102	3,237	3,340	3,419	3,552	3,797
Garden and food crops	1,701	1,786	1,839	1,892	1,948	1,991
Kava	813	831	858	877	913	1,111
Fishing	259	277	286	292	301	310
Livestock	89	94	97	111	115	119
Coconut	98	100	111	100	107	93
Poultry	15	15	16	16	17	17
Firewood	127	134	134	131	151	155
Export agriculture	1,995	1,750	1,560	1,667	1,915	1,597
Copra	716	663	624	619	832	426
Kava	436	440	262	263	418	468
Beef	409	410	429	471	456	471
Forestry and logging	295	169	165	172	128	163
Cocoa	138	68	78	140	79	67
Coffee	1	2	2	2	1	2
Other commercial agriculture	148	144	130	127	121	141
Fishing	68	56	43	43	38	50
Poultry and dairy	62	69	67	60	64	70
Fruits and vegetables	17	19	20	23	20	22
Total agriculture	5,245	5,132	5,030	5,213	5,588	5,535

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NATIONAL ACCOUNTS OF VANUATU

Table 5 HOUSEHOLD INCOME AND OUTLAY ACCOUNT

At Current Prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
Compensation of Employees	13,861	13,906	13,172	13,475	14,196	15,041
Gross Mixed Income	7,506	7,674	7,470	7,755	8,294	8,889
Current Transfers	399	368	715	438	482	668
From General Government	239	240	235	142	135	136
From Non-residents	160	128	480	296	347	532
CURRENT RECEIPTS	21,766	21,948	21,357	21,668	22,972	24,598
Household Final Consumption Expenditure	19,376	20,345	21,362	22,430	23,552	24,729
Current Transfers	816	965	1,224	1,229	1,065	545
To General Government	16	24	14	21	20	21
To Non-residents	800	941	1,210	1,208	1,046	524
Statistical Discrepancy	2,392	3,658	1,207	2,502	4,366	7,705
Household Saving	-818	-3,020	-2,437	-4,494	-6,011	-8,381
CURRENT DISBURSEMENTS	21,766	21,948	21,357	21,668	22,972	24,598

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NATIONAL ACCOUNTS OF VANUATU

Table 6 GENERAL GOVERNMENT INCOME AND OUTLAY ACCOUNT

At Current Prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
Property Income	634	418	330	236	271	268
Dividends	402	246	213	101	133	168
Interest and Land Rent	232	172	117	135	137	100
Taxes on Production and Imports	5,825	5,705	5,621	5,944	6,515	6,940
Current Transfers	2,560	2,399	2,242	1,824	2,400	2,329
From Residents	16	24	14	21	20	21
From Non-residents	2,544	2,375	2,228	1,803	2,380	2,308
CURRENT RECEIPTS	9,019	8,522	8,193	8,004	9,185	9,536
Government Final Consumption Expenditure	7,787	7,688	7,579	7,412	7,252	7,557
Subsidies	224	230	226	283	301	302
Property Income Payable	267	281	387	353	369	370
Current Transfers	249	248	252	199	208	284
To Residents	239	240	235	142	135	136
To Non-residents	10	8	17	57	73	148
Government Saving	492	75	(251)	(243)	1,055	1,023
CURRENT DISBURSEMENTS	9,019	8,522	8,193	8,004	9,185	9,536

Statistics Office, Port Vila

NATIONAL ACCOUNTS OF VANUATU

Table 11 GROSS DOMESTIC PRODUCT, BY INDUSTRY

Implicit Price deflators

	2000	2001	2002	2003	2004	2005
AGRICULTURE, FISHING & FORESTRY	169.8	171.4	173.8	169.1	169.1	169.9
Custom / traditional agriculture*	190.0	194.0	195.7	195.9	199.1	208.2
Export agriculture**	137.3	138.8	136.0	127.4	129.4	112.5
Other commercial agriculture***	185.7	165.3	174.7	172.0	170.9	184.5
Forestry and logging	212.4	170.7	189.3	189.5	183.9	194.6
INDUSTRY	188.8	196.5	198.9	194.7	195.7	206.2
Manufacturing	196.7	202.7	205.0	209.1	214.7	220.6
Electricity	146.0	164.0	169.3	166.7	159.2	183.4
Construction	212.1	215.2	216.2	200.0	202.0	206.8
SERVICES	204.3	213.9	216.7	229.6	236.4	239.8
Wholesale and Retail Trade	185.0	195.0	190.1	216.8	233.0	238.0
Hotels and Restaurants	263.2	263.9	266.4	266.4	266.9	269.8
Transport and Communication	233.7	240.8	259.5	272.1	269.3	271.1
Finance and Insurance	217.0	224.9	229.3	236.2	239.7	242.8
Real Estate and Business Services	178.4	189.5	195.0	193.9	191.8	191.5
Government Services	207.8	220.2	226.4	224.5	223.7	227.8
Personal Services	233.2	238.5	244.0	249.8	255.4	261.2
Domestic Services	304.8	309.4	312.6	320.8	325.4	327.7
less Imputed Bank Service Charge	216.8	224.9	229.3	236.2	239.5	242.6
GROSS DOMESTIC PRODUCT	196.6	204.6	206.9	214.5	219.3	223.8

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* Includes production of fruits, vegetables, kava, and other food items from the garden plots as well as livestock, poultry, fishing and forestry output by households.

** Includes copra, beef, kava, cocoa and coffee

*** Includes fishing, poultry and fruits & vegetables

NATIONAL ACCOUNTS OF VANUATU

Table 10 GROSS DOMESTIC PRODUCT, BY INDUSTRY

At Constant (1983) prices -Percentage change

	2001	2002	2003	2004	2005
AGRICULTURE, FISHING & FORESTRY	-3.1	-3.4	6.5	7.2	-1.4
Custom / traditional agriculture*	2.2	2.2	2.3	2.2	2.2
Export agriculture**	-7.9	-10.0	14.4	17.6	-7.6
Other commercial agriculture***	9.4	-14.6	-1.1	-3.8	8.2
Forestry and logging	-29.0	-11.6	3.9	-23.1	20.0
INDUSTRY	-4.7	-5.8	3.5	5.4	8.4
Manufacturing	-12.2	-13.1	4.5	5.0	7.9
Electricity	2.0	-1.0	-1.0	3.5	4.1
Construction	1.1	-0.2	6.2	7.2	12.2
SERVICES	-2.1	-8.6	2.3	5.1	8.8
Wholesale and Retail Trade	-4.9	-11.7	0.1	-1.7	11.7
Hotels and Restaurants	-5.3	-9.7	-8.8	13.6	7.5
Transport and Communication	-0.9	-15.7	3.7	15.5	7.6
Finance and Insurance	21.7	-4.1	9.0	6.3	18.7
Real Estate and Business Services	-1.9	-7.2	12.2	17.6	10.9
Government Services	-2.7	0.7	3.6	0.7	2.0
Personal Services	1.7	0.7	-0.4	0.7	1.7
Domestic Services	4.2	4.2	4.2	4.2	4.2
less Imputed Bank Service Charge	7.4	-9.1	5.4	-1.0	21.1
GROSS DOMESTIC PRODUCT	-2.6	-7.4	3.2	5.5	6.8
Resident Population (mid year estimate)	2.6	2.6	2.6	2.6	2.6
GDP per capita	-5.0	-9.7	0.6	2.8	4.1

Statistics Office, Port Vila

* Includes production of fruits, vegetables, kava, and other food items from the garden plots as well as livestock, poultry, fishing and forestry output by households.

** Includes copra, beef, kava, cocoa and coffee

*** Includes fishing, poultry and fruits & vegetables

NATIONAL ACCOUNTS OF VANUATU

Table 7 GROSS DOMESTIC PRODUCT, BY INDUSTRY

At Current Prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
AGRICULTURE, FISHING & FORESTRY	5,245	5,132	5,030	5,213	5,588	5,535
Custom / traditional agriculture*	3,102	3,237	3,340	3,419	3,552	3,797
Export agriculture**	1,699	1,582	1,395	1,495	1,786	1,434
Other commercial agriculture***	148	144	130	127	121	141
Forestry and logging	295	169	165	172	128	163
INDUSTRY	3,130	3,105	2,962	3,002	3,180	3,634
Manufacturing	1,468	1,328	1,167	1,244	1,341	1,487
Electricity	598	685	701	683	675	810
Construction	1,064	1,092	1,094	1,075	1,164	1,337
SERVICES	25,274	25,888	23,965	25,970	28,094	31,009
Wholesale and Retail Trade	10,679	10,705	9,219	10,523	11,122	12,685
Hotels and Restaurants	2,741	2,603	2,372	2,163	2,461	2,674
Transport and Communication	4,082	4,166	3,785	4,115	4,704	5,097
Finance and Insurance	2,160	2,724	2,664	2,991	3,225	3,877
Real Estate and Business Services	1,970	2,053	1,961	2,189	2,547	2,820
Government Services	4,521	4,663	4,825	4,955	4,973	5,165
Personal Services	358	372	383	391	403	419
Domestic Services	385	408	429	459	485	509
less Imputed Bank Service Charge	1,622	1,806	1,673	1,816	1,825	2,238
GROSS DOMESTIC PRODUCT	33,649	34,125	31,957	34,185	36,863	40,178
Resident Population (mid year estimate)	191,153	196,123	201,222	206,454	211,822	217,329
GDP per capita	176,032	173,998	158,816	165,584	174,027	184,870

Statistics Office, Port Vila

* Includes production of fruits, vegetables, kava, and other food items from the garden plots as well as livestock, poultry, fishing and forestry output by households.

** Includes copra, beef, kava, cocoa and coffee

*** Includes fishing, poultry and fruits & vegetables

NATIONAL ACCOUNTS OF VANUATU

Table 8 GROSS DOMESTIC PRODUCT, BY INDUSTRY
At Current Prices - Percentage change

	2001	2002	2003	2004	2005
AGRICULTURE, FISHING & FORESTRY	-2.2	-2.0	3.6	7.2	-0.9
Custom / traditional agriculture*	4.4	3.2	2.4	3.9	6.9
Export agriculture**	-6.9	-11.8	7.2	19.5	-19.7
Other commercial agriculture***	-2.6	-9.8	-2.6	-4.4	16.7
Forestry and logging	-42.9	-1.9	4.0	-25.4	27.0
INDUSTRY	-0.8	-4.6	1.3	5.9	14.2
Manufacturing	-9.5	-12.1	6.6	7.8	10.8
Electricity	14.6	2.3	-2.5	-1.2	19.9
Construction	2.6	0.2	-1.8	8.3	14.9
SERVICES	2.4	-7.4	8.4	8.2	10.4
Wholesale and Retail Trade	0.2	-13.9	14.1	5.7	14.1
Hotels and Restaurants	-5.0	-8.9	-8.8	13.8	8.7
Transport and Communication	2.1	-9.2	8.7	14.3	8.3
Finance and Insurance	26.1	-2.2	12.3	7.8	20.2
Real Estate and Business Services	4.2	-4.5	11.6	16.3	10.7
Government Services	3.1	3.5	2.7	0.4	3.9
Personal Services	4.0	3.0	2.0	3.0	4.0
Domestic Services	5.8	5.3	7.0	5.7	4.9
less Imputed Bank Service Charge	11.4	-7.4	8.6	0.5	22.6
GROSS DOMESTIC PRODUCT	1.4	-6.4	7.0	7.8	9.0
Resident Population (mid year estimate)	2.6	2.6	2.6	2.6	2.6
GDP per capita	-1.2	-8.7	4.3	5.1	6.2

Statistics Office, Port Vila

* Includes production of fruits, vegetables, kava, and other food items from the garden plots as well as livestock, poultry, fishing and forestry output by households.

** Includes copra, beef, kava, cocoa and coffee

*** Includes fishing, poultry and fruits & vegetables

NATIONAL ACCOUNTS OF VANUATU

Table 9 GROSS DOMESTIC PRODUCT, BY INDUSTRY
At Constant (1983) prices

	In Million Vatu					
	2000	2001	2002	2003	2004	2005
AGRICULTURE, FISHING & FORESTRY	3,089	2,994	2,894	3,083	3,305	3,259
Custom / traditional agriculture*	1,633	1,669	1,706	1,745	1,784	1,824
Export agriculture**	1,237	1,139	1,026	1,174	1,380	1,275
Other commercial agriculture***	80	87	74	74	71	77
Forestry and logging	139	99	87	91	70	84
INDUSTRY	1,658	1,581	1,489	1,542	1,625	1,762
Manufacturing	746	655	569	595	625	674
Electricity	410	418	414	410	424	442
Construction	502	507	506	537	576	646
SERVICES	12,368	12,103	11,061	11,311	11,883	12,932
Wholesale and Retail Trade	5,773	5,489	4,849	4,854	4,773	5,331
Hotels and Restaurants	1,042	987	890	812	922	991
Transport and Communication	1,746	1,730	1,459	1,512	1,747	1,880
Finance and Insurance	995	1,211	1,162	1,266	1,346	1,597
Real Estate and Business Services	1,105	1,083	1,005	1,129	1,328	1,473
Government Services	2,175	2,117	2,131	2,207	2,223	2,268
Personal Services	154	156	157	157	158	160
Domestic Services	126	132	137	143	149	155
less Imputed Bank Service Charge	748	803	730	769	762	923
GROSS DOMESTIC PRODUCT	17,115	16,678	15,444	15,936	16,812	17,953
Resident Population (mid year estimate)	191,153	196,123	201,222	206,454	211,822	217,329
GDP per capita	89,534	85,036	76,751	77,191	79,370	82,609

Statistics Office, Port Vila

* Includes production of fruits, vegetables, kava, and other food items from the garden plots as well as livestock, poultry, fishing and forestry output by households.

** Includes copra, beef, kava, cocoa and coffee

*** Includes fishing, poultry and fruits & vegetables