

NATIONAL OUTPUT AND EXPENDITURE

Overview

This report is the second volume of national accounts published by Vanuatu National Statistics Office (VNSO) after the rebasing of constant prices from 1983 to 2006 base price. VNSO acknowledges the invaluable contribution from all data providers who have allocated time and resources to provide reliable and timely statistical information, Pacific Technical Assistance Center (PFTAC) for its continuous technical support and VNSO staffs for their dedication during this undertaking.

The domestic economy reflected a real¹ growth of 1.8 percent in terms of GDP in 2012; the economy grew by 0.6 percentage point compare to 1.2 percent growth in 2011. The economy continues to expand following a declining trend since 2009.

Recent economic performance is mainly driven by Services followed by Agriculture, Fishing and Forestry and Industry, though industry has recorded huge decline in two consecutive periods it has less weight in the overall contribution to GDP (see Figure 1). The decline in industry is caused by major fall in output of construction and manufacturing industries which has significant flow on impacts on other downstream industries in the economy.

The service sector continued its persistent expansion with 4.4 percent growth, slightly higher than 2011 growth. The main driver of this sector is retail trade which continued to expand but at a lower growth following

strong performance in 2011. Other service related sub-groups that registered strong performances in 2012 were, other wholesale trade followed by transport, accommodation and food services, real estate and general government services. However several industries struggle to perform due to competitive nature of the services they are providing, for instance, wholesale, retail trade and repair of motor vehicle, information and communication and other professional scientific and technical services (see Table 15).

Agriculture sector continues to expand but at a moderate growth of 2.2 percent compared to higher growth achieved in two previous years (see Table 15). The weak performance in this industry was attributable to crop production mainly copra production which decreased by 34 percent due to fall in world price which drove domestic price from Vatu 56,000 per ton to Vatu 40,000. Meanwhile cocoa price was more stable through the previous years but production declined due to the falling average price by 13 percent.

At current market prices GDP was estimated at Vatu 72,278 million in 2012, a nominal growth of 2.0 percent (see Table 11 & 14). GDP deflator which measures the price change of all goods and services produced in the economy increased by 0.2 percent. In agriculture industry, it increases from 8.6 percent in 2011 to 9.3 percent in 2012 (see Table 13). The general price change in industry dropped from 2.2 percent to 1.7 percent in 2012.

¹ Real growth refers to constant price estimates, unless otherwise stated.

While the economy continues to expand, 2012 growth remained at moderate level due to weak performances in two previous years. From the expenditure measures it is justify by lower consumption and investment demand. Public consumption fell in the second consecutive period following decrease in government final consumption expenditure of 1.3 percent compared to real growth of 0.8 percent in 2011 (see Table 8).

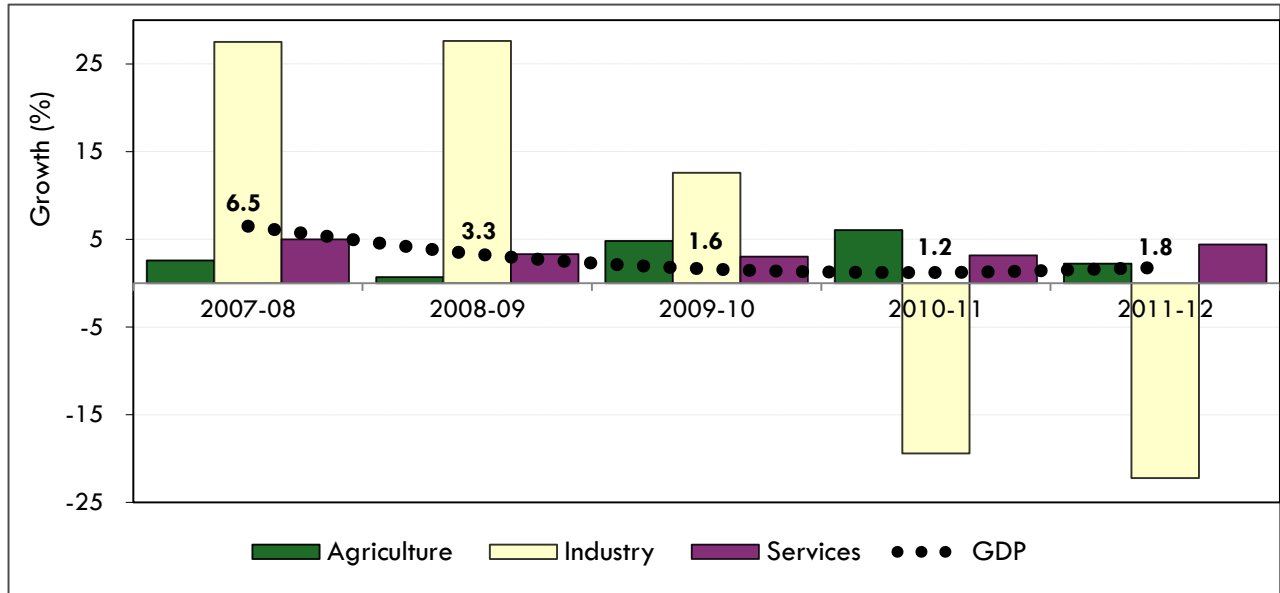
The significant drop in investment spending resulted from downward trend of gross fixed capital formation (GFCF), partially driven by the decrease in construction spending.

Though construction activity was back to the level as 2007 and 2011, it declined by 44 percent in real terms (see Table 15).

Gross National Income (GNI) is GDP adjusted by net factor income from abroad. The GNI grew by 1 percent, slightly lower than 2.0 percent nominal GDP growth (see Table 2 & 14). The net factor income remains negative due to continuous high outflow of debt service payment and repatriation of profit and dividends.

The GDP per capita for 2012 is estimated at Vatu 288,090 thousand at current market prices, a slight decrease over the previous year (see Table 11).

Graph 1: Annual real GDP growth rates 2008 – 2012



Source: Vanuatu National Statistics Office, 2013

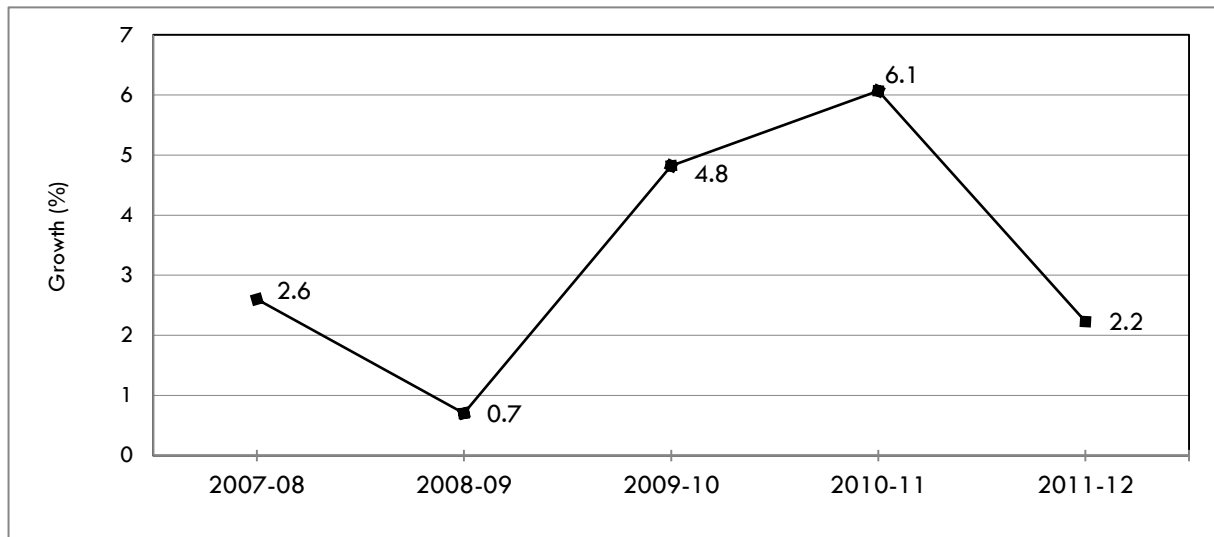
Output

Agriculture

The agriculture industry has four main sub-groups; crop production, animal production, forestry and fishing. Under International

Standard industrial Classification (ISIC, Rev.4) this is the high aggregate level of presenting output by industry.

Graph 2: Agriculture, fishing and forestry growth at constant Price 2008 – 2012



Source: Vanuatu National Statistics Office, 2013

Agriculture continues to expand following a strong growth of 6 percent in 2011 which is the highest growth achieved over times. The agriculture industry contributed 21.0 percent to total GDP constant Price (see Figure 1). The continuing improvement in agriculture value added were mainly driven by crop productions which registered a growth of 2.2 percent (see Table 15). Meanwhile over 50 percent of agriculture productions are informal activities which are driven by 75 percent of the population in rural areas for daily livelihood.

Copra is one of the major export commodities. However the drop in world price in 2012 has negative effect on

production which resulted to a fall of 34 percent.

There is also decline in cocoa production, though price looks steady over the previous years. 2012 production dropped due to the fall in price by 13 percent. Production has been restricted over a long period of time due to low yield from plantations where many trees were old and unproductive, unfavorable weather conditions and incidence of diseases.

The other agricultural crops of importance to the economy were coffee, which registered moderate growth overtime. Kava is another product with large proportion of its final use

were in domestic market, however large part of these activities are taking place in the informal sector. Nonetheless the formal component export declined by 13 percent following a decline in export price compared to 2011 with an increase of 50 percent that results from more attractive prices from overseas market.

Forestry and fishing has shown positive growth overtime, therefore lack of data from these two industries is especially difficult to collect and reconcile with export and final domestic use.

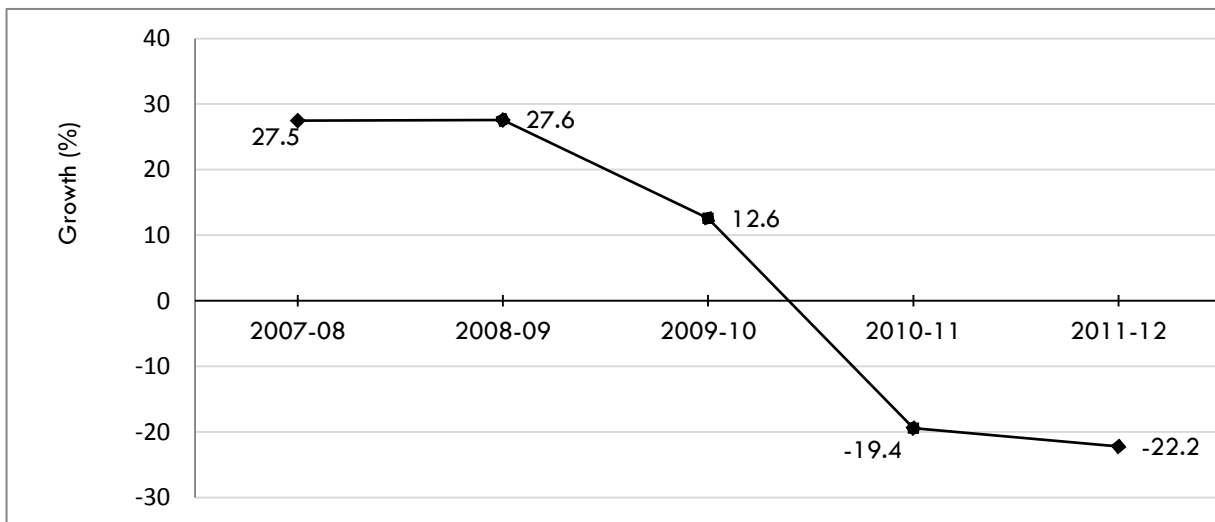
Industry

The industry sector, which is relatively small, is made up of these industry sub-group; quarry; manufacturing; electricity and water and construction. In real terms it declined by 22.2 percent in 2012 (see Table 15). Though

Animal production performing extremely well over the last five years; the main driver of this industry is cattle contributing to 10 percent of the agriculture value added. Cattle production has expanded significantly due to more attractive prices and better market opportunities, value added at constant price grew by 18.8 percent in 2012 (see Table 19). Other livestock which includes pigs, poultry, and goat also expanded in 2012 extending growth over the previous years.

industry sector dramatically fell in two consecutive periods the overall contribution to GDP is the least at 6.9 percent compared to the two other sectors agriculture and services (see Figure 1).

Graph 3: Industry growth at constant Prices 2008 – 2012



Source: Vanuatu National Statistics Office 2013

Figure 1: Sectoral composition and change in GDP at constant 2006 prices, 2008-2012

At Constant (2006) Prices Industry	Contribution to change					
	Rate of change (%)		in GDP (%)		Share of GDP (%)	
	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12
AGRICULTURE, FISHING & FORESTRY	6.1	2.2	1.2	0.5	20.9	21.0
Crop Production	6	-0.2	0.9	0.0	16.3	16
Animal Production	7.0	14.5	0.2	0.4	2.6	2.9
Forestry	6.8	7.0	0.1	0.1	1.3	1.4
Fishing	3.6	3.7	0.0	0.0	0.8	0.8
INDUSTRY	-19.4	-22.2	-2.2	-2.0	9.0	6.9
Mining and Quarrying	-17.5	46.2	0.0	0.0	0.0	0.0
Manufacturing	-8.6	-13.8	-0.3	-0.5	3.5	3.0
Electricity and Water Supply	2.5	-2.4	0.1	-0.1	2.2	2.1
Construction	-36.2	-44.3	-1.9	-1.5	3.3	1.8
SERVICES	3.2	4.4	2.0	2.8	64.2	65.9
Wholesale, Retail Trade, repair of Motorvehicles	7.2	-7.5	0.1	-0.1	1.5	1.4
Other Wholesale Trade	4	28	0.1	0.9	3.2	4.0
Retail Trade	4.7	2.6	0.5	0.3	11.9	12.0
Transport	3.0	28.9	0.2	1.7	6.0	7.6
Accommodation and Food Services	-1.0	4.4	-0.1	0.2	4.9	5.1
Information and Communication	7.3	-8.4	0.4	-0.5	5.9	5.3
Finance and Insurance	9.1	-0.1	0.6	0.0	6.8	6.7
Real Estate	3.1	9.1	0.2	0.7	7.4	7.9
Professional, Scientific, Technical and Adm/Services	4.7	-20.1	0.1	-0.7	3.3	2.6
Government services	-4.1	2	-0.5	0.2	11.5	11.5
Education, Health, Recreation, and Other Services	14.4	1.4	0.2	0.0	1.8	1.8
Plus Taxes less Subsidies on Products	8.6	-5.4	0.9	-0.6	11.2	10.4
Less imputed Bank Service Charge	14.3	-20.2	0.7	-1.1	5.3	4.2
Gross Domestic Product	1.2	1.8	1.2	1.8	100	100

Source: Vanuatu National Statistics Office, 2013

The two main drivers of industry, manufacturing and construction continued to decline since 2010. Construction continues to decline since the completion of Millennium challenge corporation (MCC) in 2010. The construction value added stood at Vatu 1,073 million, a level lower than the normal activities recorded in 2007 and 2011 (see Table 12).

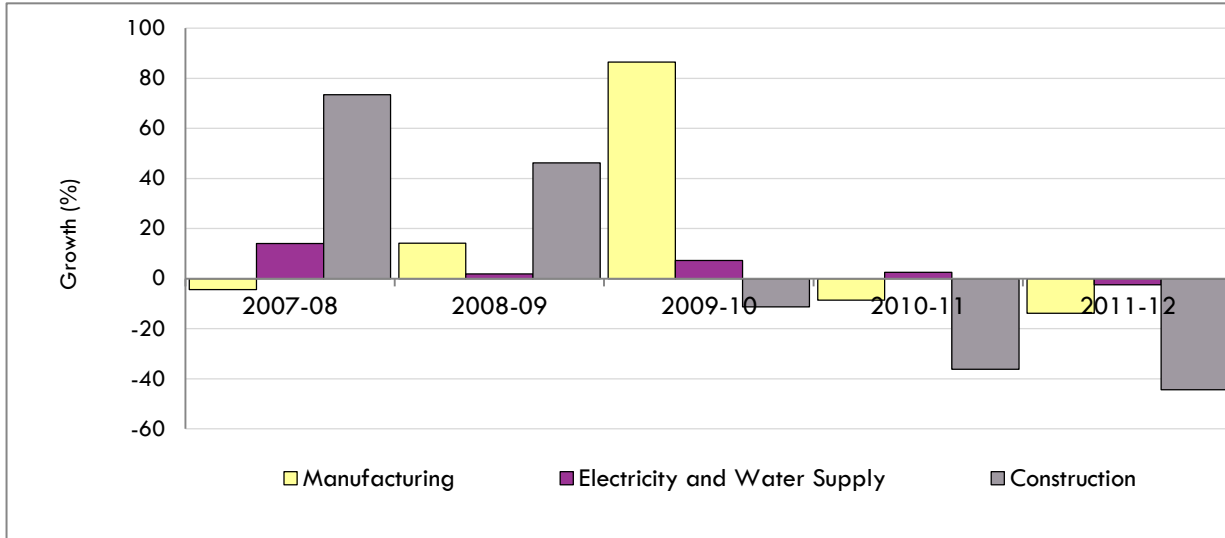
Manufacturing is a relatively small, volatile sector of the economy. Most of the manufacturing activity is tied to the export of semi-manufacturing products such as frozen beef, sawn timber and coconut oil.

The other two sub-groups, quarrying and electricity recorded a mixed performance in 2012. Quarrying activities correlates with infrastructure and other related construction activities, unfortunately capturing the reliable proportion of gross output and intermediate cost from large establishments remains a major challenge which can only be achieved through proper business survey.

The utility services, electricity and water slightly declined by 2.4 percent in 2012. This industry has shown strong performance in the two previous years (see Table 15). Though the demand of these utilities continued to grow from private household, industrial and

commercial sector more alternative is put into other form of renewable energy.

Graph 4: Industry Sector, annual growth rates, 2008 – 2012



Source: Vanuatu National Statistics Office, 2013

Services

The services sector continues to be the dominant sector of the economy, at constant price it contributes to 66 percent of the total GDP in 2012 (See Figure1 & Table15). This sector grew by 4.4 percent, a mixed performance from all major sub-group except for wholesale, retail and repair of motor vehicles which contracted by 7.5 percent, information and communication declined by 8.4 percent, finance and insurance showed a slight fall of 0.1 percent followed by professional, scientific and technical services with a decline of 20 percent. The decline in wholesale retail and repair of motor vehicle resulted from high competitive nature of the services provided by these industries. The impact of competition is also justified by low value added shown in information and communication.

However other wholesale trade grew by 28 percent, retail trade also grew by 2.6 percent following strong growth in the two previous years. Retail trade contributes to a share of 12 percent of total GDP at constant price (see Table 15). The slight decrease in the output from this sub-group was in line with the major decline in industry and other wholesale retail and repair of motor vehicles.

Transport registered a strong growth of 28.9 percent in 2012, a higher growth over time. There has been mixed performances in the last two years following strong growth in 2009. Meanwhile there are still challenges to capture reliable and timely data to strengthen this sector.

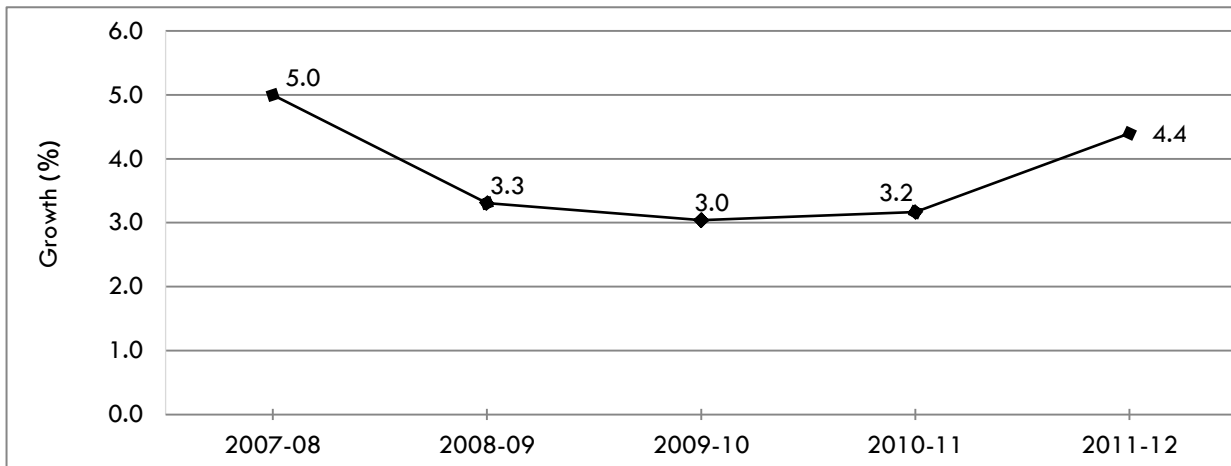
Accommodation and food services increased by 4.4 percent in 2012 contributing to a share of 5.1 percent of total GDP in real

terms (see Figure 1 & Table 15). This growth is justified by an increase of 12.8 percent of visitors' arrival by air in 2012.

Other service sub-groups that continued to improve from 2011 were real estate with a growth of 9.1 percent, followed by government services which grew by 2 percent and education, health, recreation and other services by 1.4 percent.

The imputed bank charge is the commercial banks interest earnings less interest payments; it shows a decrease of 5.4 percent followed by a further decline shown in tax less subsidies on production by 20.2 percent (see Appendix 15).

Graph 5: Service sector, annual growth rates at constant price, 2008 – 2012



Source: Vanuatu National Statistics Office, 2013

Expenditure

Gross National Expenditure (GNE) measures the aggregate demand generated by domestic economic activity and is the sum of consumption, and investment expenditure of the private and public sectors of the economy. In 2012, GNE at current market prices was estimated at Vatu 73,315 million, thus, indicating a decrease of 1.3 percent over 2011 (see Table 1).

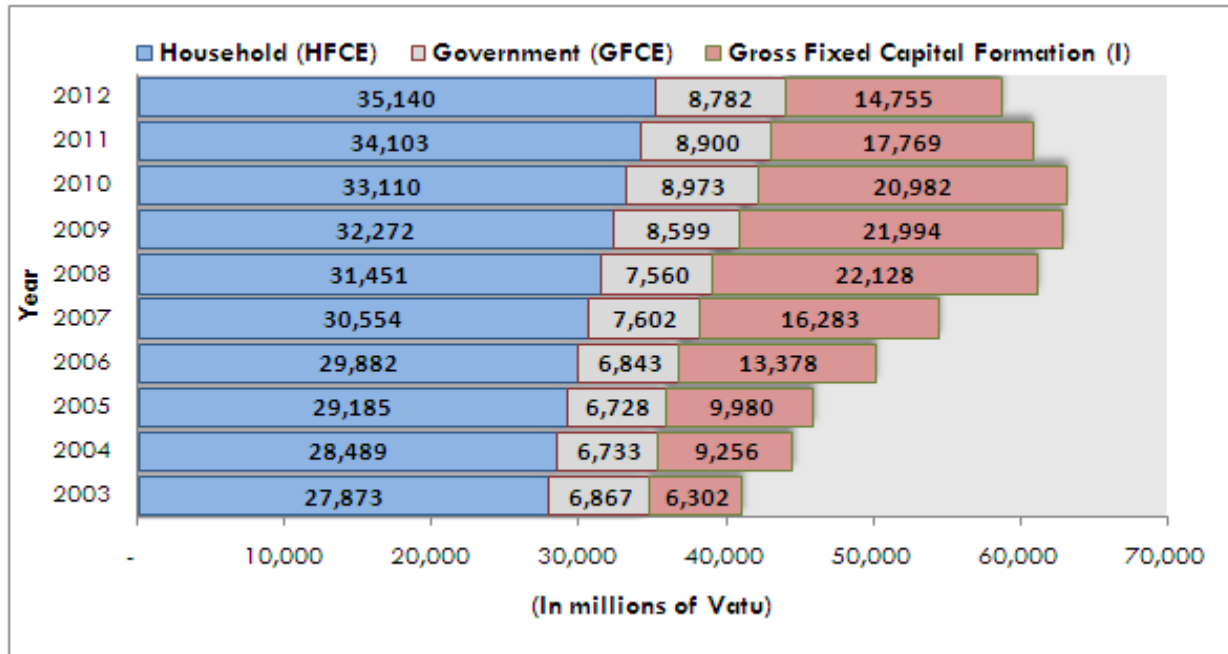
GNE was more or less maintained from 2011 to 2012 compared to 2010 with very high GNE due to the project of MCC. Private household and nonprofit institution serving household (NPISH) consumption rose by 3.0 and 7.9 percent (constant price) in 2012 while government consumption expenditure slightly declined by 1.3 percent followed by

investment (GFCF)² by 17.0 percent (see Table 8).

The share of consumption expenditure as a percentage of GDP indicated a slight increase from 75.7 percent in 2011 to 76.1 percent (constant price) in 2012. However it is still the dominating contributor to GDP thus indicating a decrease of 17.0 percent in investment activities in the economy (see Table 8).

² Gross Fixed Capital Formation

Graph 6: Gross National Expenditure Constant Prices



Source: Vanuatu National Statistics Office, 2013

Consumption

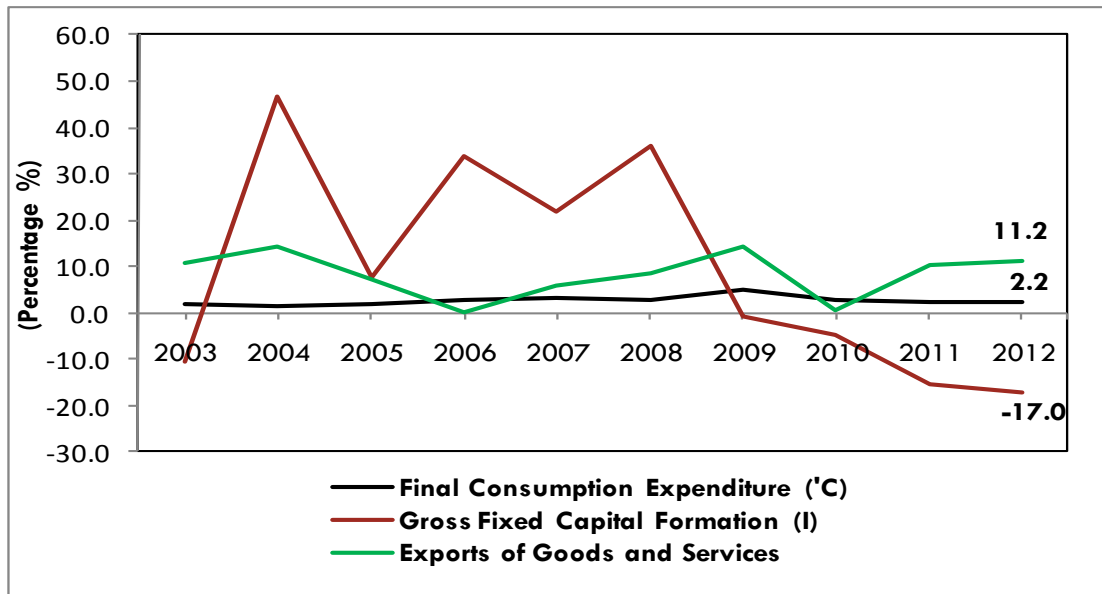
Consumption expenditure captures the share of private households and government (public) sector consumption in the economy. In exception of (NPISH) consumption continues to expand by 2.1 percent to Vatu 43,922 million (constant price) in 2012 (see Table 6). Private consumption expenditure grew by 3 percent while government final consumption expenditure decreased by 1.3 percent (see Table 8).

Expenditure on Transportation services continued to expand at a rate higher than that of most other goods and services leading at a growth of 17.6 percent. According to the share towards Household final consumption expenditure, Food,

beverages and tobacco contributed 53.3 percent (constant price) followed by housing, electricity, water, gas and other fuel 17.7 percent and transport and communication 10.8 percent (see Table 10). In contrast the share of health, recreation and culture expenditure remained relatively low 0.9 percent and 1.9 percent respectively reflecting similar expenditure share in 2011.

In 2012, investment expenditure (GFCF) was estimated at Vatu 14,755 million (constant price), a decrease of 17 percent (see Table 8). This decline reflects the drop in construction materials and machinery and equipment imports. The lower capital expenditure was back to the level as 2007 and 2011 unlike the high period of capital imports from 2008 to 2010 related to the (MCC) project.

Graph 7: Real Growth Rates of Domestic Resources



Source: National Statistics Office, 2013

Availability and utilization of resources

The total available resources in the country consist of GDP (domestic resources) and imports of goods and non-factor services (foreign resources). The latter were estimated at Vatu 92,705 million (constant price) in 2012 indicating an increase of 2.5 percent (Vatu 2,237 million) over 2011 (see Table 6). In an improvement over 2011, domestic resources contribute to 63.5 percent of total resources while other 36.5 percent was generated from foreign resources.³

Utilization of resources mainly consisted of consumption, investment (GFCF) and exports of goods and services. In 2012, consumption absorbed 48.2 percent of resources at constant price estimates, with an annual growth of 2.1 percent, while export of goods and services absorbed 35.7 percent of resources accounting for 11.2 percent

growth in 2012. Investment (GFCF) absorbed 16.2 percent of resources but decreased by 17 percent in 2012.

Net lending to overseas

In 2012, the country's gross capital formation exceeded its gross saving plus net capital transfers from non-residents resulting in an amount of lending to non-residents of Vatu 179 million.

³ Percentage share of Domestic and Foreign resources over available resources over specific time frame

Table 1: Gross Domestic Product Account

Income Aggregate	Vatu Million									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Compensation of Employees	21,298	21,340	22,141	27,083	25,072	28,574	29,515	31,122	32,210	32,604
Gross Operating Surplus	11,464	13,248	14,064	13,614	19,599	22,274	25,318	26,455	27,425	28,254
Taxes less Subsidies on Products	5,664	6,214	6,941	7,914	9,256	10,760	10,284	10,334	11,239	11,419
GROSS DOMESTIC PRODUCT	38,425	40,802	43,145	48,611	53,927	61,607	65,117	67,911	70,873	72,278
Final Consumption Expenditure	32,696	33,811	34,689	37,481	40,868	44,222	48,596	53,962	55,305	56,633
Household	26,424	27,664	28,408	29,882	31,623	34,234	37,346	41,133	42,591	44,246
Government	5,788	5,627	5,715	6,843	8,724	9,282	10,396	11,876	11,651	11,202
Non Profit Institutions Serving Households	484	520	566	756	521	706	854	953	1,063	1,186
Gross Fixed Capital Formation	6,237	9,206	10,104	13,378	16,864	24,157	25,256	22,963	18,449	16,173
Changes in Inventories	236	277	304	417	536	831	722	576	515	508
Gross National Expenditure	39,169	43,294	45,096	51,277	58,268	69,210	74,575	77,501	74,268	73,315
Exports of Goods and Services	16,629	18,606	19,582	20,063	21,999	27,823	31,980	31,665	31,425	34,871
Less: Imports of Goods and Services	18,556	21,669	23,641	23,464	25,700	35,497	36,647	35,816	35,412	36,093
<i>Statistical Discrepancy</i>	1,181	573	2,111	738	- 641	72	- 4,788	- 5,437	68	185
GROSS DOMESTIC PRODUCT	38,423	40,803	43,148	48,613	53,926	61,607	65,119	67,912	70,873	72,278

Source: Vanuatu National Statistics Office, 2013

Table 2: National Income Account

Income Aggregate	Vatu Million									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Compensation of Employees	21,298	21,340	22,141	27,083	25,072	28,574	29,515	31,122	32,210	32,604
Gross Operating Surplus	11,464	13,248	14,064	13,614	19,599	22,274	25,318	26,455	27,425	28,254
Taxes less Subsidies on Production and Imports	5,664	6,214	6,941	7,914	9,256	10,760	10,284	10,334	11,239	11,419
Net Property and Entrepreneurial Income	- 1,854	- 2,086	- 2,832	- 2,239	- 2,834	- 481	- 2,481	- 2,104	- 1,795	- 2,527
From Non-residents	2,960	3,037	3,032	3,521	3,697	3,747	2,765	3,243	4,010	3,425
To Non-residents	4,814	5,123	5,864	5,760	6,531	4,228	5,246	5,347	5,805	5,952
GROSS NATIONAL INCOME (GNI)	36,571	38,717	40,313	46,372	51,092	61,126	62,636	65,807	69,078	69,751
Net Current Transfers	891	1,031	2,047	2,800	2,671	4,075	3,178	2,498	1,357	1,832
From Non-residents	2,099	2,150	2,719	3,355	2,944	4,309	3,393	2,819	1,773	2,093
To Non-residents	1,208	1,119	672	555	273	234	215	321	416	261
GROSS NATIONAL DISPOSABLE INCOME (GNDI)	37,463	39,748	42,360	49,172	53,763	65,201	65,815	68,305	70,436	71,583
Final Consumption Expenditure	32,696	33,811	34,689	37,481	40,868	44,222	48,596	53,962	55,305	56,633
Household	26,424	27,664	28,408	29,882	31,623	34,234	37,346	41,133	42,591	44,246
Government	5,788	5,627	5,715	6,843	8,724	9,282	10,396	11,876	11,651	11,202
Non Profit Institutions Serving Households	484	520	566	756	521	706	854	953	1,063	1,186
Statistical Discrepancy	1,183	572	2,108	736	- 640	72	- 4,779	- 4,669	68	185
National Saving	3,583	5,365	5,564	10,954	13,536	20,907	21,997	19,013	15,063	14,765
USE OF GROSS DISPOSABLE INCOME	37,463	39,748	42,360	49,172	53,763	65,201	65,815	68,305	70,436	71,583

Source: Vanuatu National Statistics Office, 2013

Table 3: Capital Account

Capital Account Aggregate	Vatu Million									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
National Saving	3,583	5,365	5,564	10,954	13,536	20,907	21,997	19,013	15,063	14,765
Net Capital Transfers from Non-residents	903	1,429	2,406	3,731	3,115	977	2,816	2,044	2,129	2,096
FINANCE OF GROSS ACCUMULATION	4,486	6,794	7,969	14,686	16,651	21,884	24,813	21,057	17,192	16,860
Gross Fixed Capital Formation	6,237	9,206	10,103	13,378	16,864	24,157	25,256	22,962	18,973	16,173
Cultivated Assets	11	9	26	46	27	18	1	28	18	24
Construction	2,714	4,299	4,873	6,654	7,697	10,057	11,127	10,597	8,983	7,814
Durable Equipment	3,512	4,898	5,204	6,678	9,140	14,082	14,130	12,337	9,972	8,334
Changes in Inventories	236	277	304	417	536	831	722	576	515	508
Net Lending to Non-residents	- 1,987	- 2,689	- 2,437	890	- 749	- 3,103	- 1,165	- 2,481	- 2,295	179
GROSS ACCUMULATION	4,486	6,794	7,969	14,686	16,651	21,884	24,813	21,057	17,192	16,860

Source: Vanuatu National Statistics Office, 2013

Table 4: External Transaction Account

External Transaction	Vatu Million									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Exports of Goods and Services	17,281	19,480	20,799	21,521	22,809	28,484	33,545	31,879	31,425	34,871
Goods	3,901	5,138	4,969	5,624	3,850	4,891	7,452	5,161	6,004	5,071
Services	13,380	14,342	15,830	15,897	18,959	23,593	26,093	26,718	25,421	29,800
Income from Non-residents										
Compensation of Employees	480	543	549	544	445	492	333	410	508	549
Property Income	2,480	2,494	2,483	2,977	3,252	3,255	2,432	2,833	3,502	2,876
Current Transfers from Non-residents	2,099	2,150	2,719	3,355	2,944	4,309	3,393	2,819	1,773	2,093
To General Government	1,803	1,803	2,308	2,493	2,599	3,483	2,743	2,279	1,433	1,361
To Households	296	347	410	862	345	826	650	540	340	732
Capital Transfers from Non-residents	903	1,429	2,406	3,731	3,115	977	2,816	2,044	2,129	2,096
RESOURCES PROVIDED TO NON-RESIDENTS	23,243	26,096	28,955	32,128	32,566	37,517	42,519	39,985	39,337	42,485
Imports of Goods and Services	18,556	21,669	23,641	23,464	25,700	35,497	36,647	35,816	35,412	36,093
Goods	11,161	14,344	15,584	15,584	17,996	24,558	25,184	23,531	23,134	22,579
Services	7,395	7,325	8,058	7,881	7,704	10,939	11,463	12,285	12,278	13,514
Income to Non-residents										
Compensation of Employees	312	313	308	324	236	193	239	244	265	374
Property Income	4,502	4,810	5,556	5,436	6,295	4,035	5,007	5,103	5,540	5,578
Current Transfers to Non-residents	1,208	1,119	672	555	273	234	215	321	416	261
From General Government	0	73	148	51	54	39	39	48	61	79
From Households	1,208	1,046	524	504	219	195	176	273	355	182
Capital Transfers to Non-residents	-	-	-	-	-	-	-	-	-	-
Net Lending to Non-residents	- 1,987	- 2,689	- 2,437	890	- 749	- 3,103	- 1,165	- 2,481	- 2,295	179
RESOURCES PROVIDED BY NON-RESIDENTS	23,243	26,096	28,955	32,128	32,566	37,517	42,519	39,985	39,337	42,485

Source: Vanuatu National Statistics Office, 2013

Table 5: Current Prices GDP by Expenditure

Vatu Million

Expenditure Aggregate	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Final Consumption Expenditure ('C)	32,696	33,811	34,689	37,481	40,868	44,222	48,596	53,962	55,305	56,633
Household	26,424	27,664	28,408	29,882	31,623	34,234	37,346	41,133	42,591	44,246
Government	5,788	5,627	5,715	6,843	8,724	9,282	10,396	11,876	11,651	11,202
Non Profit Institutions Serving Households	484	520	566	756	521	706	854	953	1,063	1,186
Gross Fixed Capital Formation (I)	6,237	9,206	10,103	13,378	16,864	24,157	25,256	22,962	18,973	16,173
Cultivated Assets	11	9	26	46	27	18	(1)	28	18	24
Construction	2,714	4,299	4,873	6,654	7,697	10,057	11,127	10,597	8,983	7,814
Durable Equipment	3,512	4,898	5,204	6,678	9,140	14,082	14,130	12,337	9,972	8,334
Change in Inventories	186	272	304	439	520	745	594	549	510	498
Acquisition less Disposal of Valuables	50	4	-	(22)	16	85	128	27	5	11
Net exports (EX - IM)	-1,927	-3,063	-4,059	-3,401	-3,701	-7,674	-4,667	-4,151	-3,987	-1,222
Exports of Goods and Services	16,629	18,606	19,582	20,063	21,999	27,823	31,980	31,665	31,425	34,871
Imports of Goods and Services	-18,556	-21,669	-23,641	-23,464	-25,700	-35,497	-36,647	-35,816	-35,412	-36,093
Statistical Discrepancy	1,181	573	2,111	738	-641	72	-4,788	-5,437	68	185
Gross Domestic Product (GDP)	38,423	40,803	43,148	48,613	53,926	61,607	65,119	67,912	70,873	72,278

Source: Vanuatu National Statistics Office, 2013

Table 6: Constant Prices GDP by Expenditure

Expenditure aggregate	Vatu Million									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Final Consumption Expenditure ('C)	35,250	35,757	36,494	37,481	38,659	39,660	41,609	42,848	43,810	44,793
Household	27,873	28,489	29,185	29,882	30,554	31,451	32,272	33,110	34,103	35,140
Government	6,867	6,733	6,728	6,843	7,602	7,560	8,599	8,973	8,900	8,782
Non Profit Institutions Serving Households	510	535	581	756	503	649	738	765	807	871
Gross Fixed Capital Formation (I)	6,302	9,256	9,980	13,378	16,283	22,128	21,994	20,982	17,769	14,755
Cultivated Assets	13	11	30	46	27	15	(1)	25	14	19
Construction	2,799	4,424	4,797	6,654	7,449	9,129	9,418	9,707	8,173	7,037
Durable Equipment	3,490	4,821	5,153	6,678	8,807	12,984	12,577	11,250	9,582	7,699
Change in Inventories	193	289	308	439	487	662	658	582	536	514
Acquisition less Disposal of Valuables	53	5	-	(22)	15	77	112	23	4	9
Net exports (EX - IM)	(2,164)	(3,988)	(3,312)	(3,401)	(3,904)	(9,976)	(7,627)	(6,782)	(3,386)	(1,321)
Exports of Goods and Services	16,318	18,687	20,013	20,063	21,225	23,052	26,375	26,484	29,239	32,526
Imports of Goods and Services	18,482	22,675	23,325	23,464	25,129	33,028	34,002	33,266	32,625	33,847
Statistical Discrepancy	1,296	1,243	1,349	736	-413	1,843	-556	-513	-890	109
Gross Domestic Product (GDP)	40,930	42,562	44,819	48,611	51,127	54,425	56,227	57,143	57,843	58,858

Source: Vanuatu National Statistics Office, 2013

Table 7: Growth Rates - Current Prices GDP by Expenditure

Expenditure Aggregate	Percentage (%)									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Final Consumption Expenditure ('C)	2.5	3.4	2.6	8.0	9.0	8.2	9.9	11.0	2.5	2.4
Household	2.4	4.7	2.7	5.2	5.8	8.3	9.1	10.1	3.5	3.9
Government	2.4	-2.8	1.6	19.7	27.5	6.4	12.0	14.2	-1.9	-3.9
Non Profit Institutions Serving Households	13.3	7.4	8.8	33.6	-31.1	35.5	21.0	11.6	11.5	11.6
Gross Fixed Capital Formation (I)	-10.2	47.6	9.7	32.4	26.1	43.2	4.5	-9.1	-17.4	-14.8
Cultivated Assets										
Construction	-18.2	58.4	13.4	36.5	15.7	30.7	10.6	-4.8	-15.2	-13.0
Durable Equipment	-3.0	39.5	6.2	28.3	36.9	54.1	0.3	-12.7	-19.2	-16.4
Change in Inventories	-5.1	46.2	11.8	44.4	18.5	43.3	-20.3	-7.6	-7.1	-2.4
Acquisition less Disposal of Valuables										
Net exports (EX - IM)										
Exports of Goods and Services	7.5	11.9	5.2	2.5	9.6	26.5	14.9	-1.0	-0.8	11.0
Imports of Goods and Services	2.8	16.8	9.1	-0.7	9.5	38.1	3.2	-2.3	-1.1	1.9
Gross Domestic Product (GDP)	5.1	6.2	5.7	12.7	10.9	14.2	5.7	4.3	4.4	2.0

Source: Vanuatu National Statistics Office, 2013

Table 8: Growth Rates - Constant Prices GDP by Expenditure

Expenditure Aggregate	Percentage (%)									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Final Consumption Expenditure ('C)	1.8	1.4	2.1	2.7	3.1	2.6	4.9	3.0	2.2	2.2
Household	2.2	2.2	2.4	2.4	2.2	2.9	2.6	2.6	3.0	3.0
Government	-0.8	-2.0	-0.1	1.7	11.1	-0.6	13.7	4.3	-0.8	-1.3
Non Profit Institutions Serving Households	13.1	4.9	8.6	30.1	-33.5	29.0	13.7	3.7	5.5	7.9
Gross Fixed Capital Formation (I)	-10.6	46.9	7.8	34.0	21.7	35.9	-0.6	-4.6	-15.3	-17.0
Cultivated Assets										
Construction	-17.6	58.1	8.4	38.7	11.9	22.6	3.2	3.1	-15.8	-13.9
Durable Equipment	-4.2	38.1	6.9	29.6	31.9	47.4	-3.1	-10.6	-14.8	-19.7
Change in Inventories	-13.8	49.7	6.6	42.5	10.9	35.9	-0.6	-11.6	-7.9	-4.1
Acquisition less Disposal of Valuables										
Net exports (EX - IM)										
Exports of Goods and Services	10.7	14.5	7.1	0.2	5.8	8.6	14.4	0.4	10.4	11.2
Imports of Goods and Services	-0.3	22.7	2.9	0.6	7.1	31.4	2.9	-2.2	-1.9	3.7
Gross Domestic Product (GDP)	4.3	4.0	5.3	8.8	5.2	6.5	3.3	1.6	1.2	1.8

Source: Vanuatu National Statistics Office, 2013

Table 9: Household Final Consumption Expenditure by Expenditure Groups - Current Price

Expenditure Group	Vatu Million									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Food, beverages and tobacco	12,365	13,084	13,089	14,018	14,956	16,557	18,708	21,218	21,620	22,110
Clothing and footwear	2,605	2,676	2,757	2,831	2,996	3,138	3,247	3,543	3,740	3,803
Housing, water electricity, gas and other fuels	645	656	670	684	699	717	731	735	766	797
Furnishing, household equipment and maintenance	5,804	6,010	6,365	6,557	6,883	7,171	7,561	8,001	8,181	8,515
Health	289	268	278	289	289	280	290	301	314	324
Transport and Communications	1,529	1,672	1,815	1,979	2,132	2,576	2,883	3,254	3,726	4,261
Leisure, entertainment and culture	483	501	533	552	610	670	712	746	754	775
Education	1,101	1,148	1,192	1,212	1,247	1,171	1,221	1,174	1,252	1,280
Hotels, café and restaurants	722	740	756	778	788	857	847	969	1,045	1,050
Miscellaneous goods and services	880	908	952	983	1,023	1,096	1,145	1,190	1,193	1,330
Private consumption expenditure	26,424	27,664	28,408	29,882	31,623	34,234	37,346	41,133	42,591	44,246

Source: Vanuatu National Statistics Office, 2013

Table 10: Household Final Consumption Expenditure by Expenditure Groups – Constant Price

Expenditure Group	Vatu Million									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Food, beverages and tobacco	13,320	13,553	13,789	14,018	14,284	14,545	14,787	15,033	15,285	15,542
Clothing and footwear	2,657	2,714	2,772	2,831	2,890	2,950	3,010	3,072	3,134	3,197
Housing, water electricity, gas and other fuels	638	653	668	684	699	715	730	747	763	780
Furnishing, household equipment and maintenance	6,040	6,203	6,375	6,557	6,723	6,869	7,017	7,167	7,320	7,474
Health	289	278	279	289	285	283	289	296	302	309
Transport and Communications	1,586	1,714	1,854	1,979	2,076	2,393	2,651	2,929	3,360	3,810
Leisure, entertainment and culture	501	517	534	552	570	589	608	629	650	671
Education	1,198	1,173	1,192	1,212	1,228	1,268	1,297	1,315	1,324	1,351
Hotels, café and restaurants	726	743	760	778	795	813	831	849	868	887
Miscellaneous goods and services	918	940	961	983	1,005	1,027	1,050	1,073	1,097	1,121
Private consumption expenditure	27,873	28,489	29,185	29,882	30,554	31,451	32,272	33,110	34,103	35,140

Source: Vanuatu National Statistics Office, 2013

Table 11: Current Prices GDP by Industry

	Vatu Million									
Industry	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
AGRICULTURE, FISHING & FORESTRY	8,772	9,629	9,611	10,201	11,087	12,440	12,868	14,075	16,216	18,115
Crop Production	7,138	7,986	7,522	8,180	9,068	10,119	10,183	11,154	13,009	14,201
Animal Production	809	873	1,002	1,073	1,040	1,309	1,532	1,724	1,928	2,632
Forestry	471	411	698	548	566	613	703	758	798	794
Fishing	355	359	389	399	413	399	449	439	482	488
INDUSTRY	3,147	3,100	3,386	3,935	4,205	5,453	7,082	8,364	6,887	5,455
Mining and Quarrying	-	-	-	10	130	24	26	19	16	24
Manufacturing	1,577	1,646	1,639	1,756	1,645	1,531	1,861	3,242	2,986	2,604
Electricity and Water Supply	683	675	810	917	1,024	1,300	1,118	1,300	1,386	1,429
Construction	888	779	937	1,252	1,406	2,598	4,078	3,803	2,499	1,398
SERVICES	23,691	24,955	26,872	30,848	33,837	37,971	39,886	41,686	43,803	44,153
Wholesale and Retail Trade and repair of Motor vehicles	744	734	721	735	783	870	955	1,028	1,076	979
Other Wholesale Trade	1,075	1,389	1,657	2,056	2,081	2,485	2,297	1,822	1,863	2,709
Retail Trade	3,934	3,784	3,622	5,095	5,512	6,191	6,819	7,664	8,094	8,806
Transport	2,122	2,477	3,000	3,009	3,352	2,876	3,632	3,658	3,952	3,797
Accommodation and Food Services	1,656	1,928	1,885	1,986	2,267	2,612	3,169	3,299	3,279	3,604
Information and Communication	1,442	1,585	1,727	1,760	2,168	2,703	3,107	3,355	3,695	2,685
Finance and Insurance	3,011	3,192	3,827	4,214	4,113	5,202	4,354	4,307	5,011	4,702
Real Estate	3,094	3,256	3,513	3,611	3,800	3,970	4,045	4,311	4,438	4,928
Professional, Scientific, Technical and Administrative	1,038	1,130	1,210	1,306	1,438	1,807	2,177	2,121	2,239	1,857
Government services	4,640	4,658	4,800	5,776	7,115	7,917	8,140	9,002	8,843	8,723
Education, Health, Recreation, and Other Services	935	822	910	1,300	1,208	1,338	1,191	1,119	1,314	1,364
Plus Taxes less Subsidies on Products	4,349	4,675	5,176	5,742	7,130	8,394	8,193	6,947	7,611	7,637
Less imputed Bank Service Charge	1,536	1,556	1,897	2,113	2,333	2,651	2,910	3,160	3,644	3,082
Gross Domestic Product	38,423	40,803	43,148	48,613	53,926	61,607	65,119	67,912	70,873	72,278
<i>Resident Population (mid year estimates)</i>	<i>204,454</i>	<i>209,156</i>	<i>213,967</i>	<i>218,888</i>	<i>223,923</i>	<i>229,073</i>	<i>234,023</i>	<i>239,731</i>	<i>245,245</i>	<i>250,886</i>
<i>GDP per capita (in thousand Vatu)</i>	<i>187,942</i>	<i>195,080</i>	<i>201,643</i>	<i>222,081</i>	<i>240,827</i>	<i>263,328</i>	<i>275,250</i>	<i>283,284</i>	<i>288,990</i>	<i>288,090</i>

Source: Vanuatu National Statistics Office, 2013

Table 12: Constant Prices GDP by Industry (2006 Base Year)

	Vatu Million									
Industry	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
AGRICULTURE, FISHING & FORESTRY	9,397	9,826	10,054	10,200	10,558	10,828	10,899	11,424	12,117	12,386
Crop Production	7,623	8,091	7,901	8,180	8,432	8,613	8,551	8,874	9,405	9,390
Animal Production	878	901	1,011	1,073	1,129	1,167	1,244	1,384	1,481	1,695
Forestry	524	454	755	548	584	622	663	708	756	809
Fishing	372	380	387	399	413	427	442	458	475	492
INDUSTRY	3,059	2,991	3,149	3,935	3,537	4,509	5,754	6,480	5,222	4,064
Mining and Quarrying	-	-	-	10	125	22	22	16	13	19
Manufacturing	1,307	1,331	1,304	1,756	1,092	1,044	1,192	2,223	2,031	1,751
Electricity and Water Supply	829	857	893	917	978	1,116	1,138	1,221	1,252	1,222
Construction	923	803	952	1,252	1,341	2,327	3,402	3,020	1,925	1,073
SERVICES	25,530	26,527	28,281	30,848	32,209	33,817	34,936	34,914	37,137	38,761
Wholesale and Retail Trade and repair of Motor vehicles	724	705	706	735	734	773	810	827	887	820
Other Wholesale Trade	1,500	1,718	1,883	2,056	2,016	1,698	1,668	1,781	1,852	2,371
Retail Trade	4,120	3,907	3,696	5,095	5,303	5,683	5,987	6,561	6,871	7,050
Transport	2,023	2,471	3,022	3,009	3,281	1,480	2,535	3,369	3,472	4,475
Accommodation and Food Services	1,718	1,979	1,916	1,986	2,195	2,427	2,827	2,877	2,848	2,973
Information and Communication	1,438	1,557	1,710	1,760	2,145	2,632	3,030	3,155	3,386	3,102
Finance and Insurance	3,050	3,258	3,936	4,214	4,128	4,826	3,698	3,628	3,957	3,954
Real Estate	3,089	3,273	3,526	3,611	3,700	3,838	3,906	4,137	4,265	4,653
Professional, Scientific, Technical and Administrative	1,087	1,166	1,234	1,306	1,383	1,659	1,911	1,816	1,901	1,520
Government services	5,646	5,703	5,781	5,776	6,054	6,322	6,638	6,915	6,634	6,764
Education, Health, Recreation, and Other Services	977	845	929	1,300	1,163	1,221	1,035	931	1,065	1,080
Plus Taxes less Subsidies on Products	4,553	4,825	5,271	5,742	7,070	7,705	7,207	5,948	6,461	6,114
Less imputed Bank Service Charge	1,608	1,607	1,936	2,113	2,245	2,434	2,555	2,705	3,093	2,468
Gross Domestic Product	40,930	42,562	44,819	48,611	51,127	54,425	56,227	57,143	57,843	58,858
<i>Resident Population (mid year estimates)</i>	204,454	209,156	213,967	218,888	223,923	229,073	234,023	239,731	245,245	250,886
<i>GDP per capita (in thousand Vatu)</i>	200,187	203,489	209,467	222,081	228,320	237,588	240,263	238,388	235,856	234,599

Source: Vanuatu National Statistics Office, 2013

Table 13: Implicit Price Deflators (2006 base year)

Index	Index 2006 = 100									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
AGRICULTURE, FISHING & FORESTRY	93.4	98.0	95.6	100.0	105.0	114.9	118.1	126.2	133.8	146.3
Crop Production	93.6	98.7	95.2	100.0	107.5	117.5	119.1	129.7	138.3	151.2
Animal Production	92.1	96.9	99.1	100.0	92.1	112.2	123.2	124.6	130.2	155.3
Forestry	89.7	90.4	92.5	100.0	96.9	98.6	106.0	107.1	105.5	98.1
Fishing	95.6	94.5	100.7	100.0	100.1	93.4	101.6	95.9	101.5	99.1
INDUSTRY	102.9	103.6	107.5	100.0	118.9	120.9	123.1	129.6	131.9	134.2
Mining and Quarrying	-	-	-	100.0	104.0	109.1	113.8	116.8	118.2	124.9
Manufacturing	120.6	123.7	125.7	100.0	150.6	146.6	156.1	147.5	147.0	148.7
Electricity and Water Supply	82.5	78.8	90.7	100.0	104.6	116.5	98.2	106.5	110.7	117.0
Construction	96.2	97.0	98.4	100.0	104.8	111.7	119.9	125.9	129.8	130.3
SERVICES	93.4	93.9	94.8	100.0	105.1	112.3	113.4	115.8	117.9	113.9
Wholesale and Retail Trade and repair of Motor vehicles	102.8	104.1	102.1	100.0	106.7	112.5	117.9	124.3	121.3	119.4
Other Wholesale Trade	71.7	80.8	88.0	100.0	103.2	146.3	137.7	102.3	100.6	114.3
Retail Trade	95.5	96.8	98.0	100.0	103.9	108.9	113.9	116.8	117.8	124.9
Transport	104.9	100.2	99.3	100.0	102.2	107.2	108.0	108.6	113.8	84.9
Accommodation and Food Services	96.4	97.4	98.4	100.0	103.3	107.6	112.1	114.6	115.1	121.2
Information and Communication	100.3	101.8	101.0	100.0	101.1	102.7	98.5	106.3	109.1	86.6
Finance and Insurance	98.7	98.0	97.2	100.0	99.6	107.8	117.7	118.7	126.6	118.9
Real Estate	100.2	99.5	99.6	100.0	102.7	103.4	103.6	104.2	104.0	105.9
Professional, Scientific, Technical and Administrative Services	95.5	96.8	98.0	100.0	104.0	108.9	113.9	116.8	117.8	122.2
Government services	82.2	81.7	83.0	100.0	115.5	124.1	122.9	130.2	133.3	129.0
Education, Health, Recreation, and Other Services	95.7	97.3	98.0	100.0	103.9	109.6	114.4	120.2	123.3	126.3
Plus Taxes less Subsidies on Products	95.5	96.9	98.2	100.0	100.9	108.9	113.9	116.8	117.8	124.9
Less imputed Bank Service Charge	95.5	96.8	98.0	100.0	103.9	108.9	113.9	116.8	117.8	124.9
Gross Domestic Product	94.2	95.7	96.1	100.0	105.5	113.2	115.8	118.8	122.5	122.8

Source: Vanuatu National Statistics Office, 2013

Table 14: Growth Rates – Current Price GDP by Industry

Industry	Percentage (%)									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
AGRICULTURE, FISHING & FORESTRY	-1.1	9.8	-0.2	6.1	8.7	12.2	6.3	9.0	15.2	11.7
Crop Production	-2.4	11.9	-5.8	8.7	10.9	11.6	4.1	9.1	16.6	9.2
Animal Production	5.8	8	14.7	7.2	-3.1	25.9	17.1	12.5	11.8	36.5
Forestry	3.8	-12.7	69.9	-21.4	3.1	8.4	14.6	7.8	5.3	-0.5
Fishing	3.8	0.9	8.6	2.5	3.5	-3.4	13.3	-5.6	12.9	1.2
INDUSTRY	-3.8	-1.5	9.2	16.2	6.9	29.7	29.9	18.1	-17.7	-20.8
Mining and Quarrying	-	-	-	-	-	-81.5	5.8	-26.3	-17	54.5
Manufacturing	2.6	4.4	-0.4	7.1	-6.3	-6.9	21.6	74.2	-7.9	-12.8
Electricity and Water Supply	-2.5	-1.2	19.9	13.3	11.6	27	-14	16.3	6.6	3.1
Construction	-14.1	-12.3	20.3	33.6	12.3	84.8	57	-6.7	-34.3	-44.1
SERVICES	10	5.3	7.7	14.8	9.7	12.2	5.0	4.5	5.1	0.8
Wholesale and Retail Trade and repair of Motor vehicles	17	-1.3	-1.7	1.9	6.6	11.1	9.8	7.6	4.7	-9
Other Wholesale Trade	13.7	29.1	19.3	24.1	1.2	19.4	-7.6	-20.7	2.3	45.4
Retail Trade	7.9	-3.8	-4.3	40.6	8.2	12.3	10.1	12.4	5.6	8.8
Transport	33.7	16.7	21.1	0.3	11.4	-14.2	26.3	0.7	8.0	-3.9
Accommodation and Food Services	0.1	16.4	-2.2	5.4	14.2	15.2	21.3	4.1	-0.6	9.9
Information and Communication	9.1	9.9	9	1.9	23.2	24.7	14.9	8.0	10.1	-27.3
Finance and Insurance	25.6	6	19.9	10.1	-2.4	26.5	-16.3	-1.1	16.3	-6.2
Real Estate	3.5	5.2	7.9	2.8	5.2	4.5	1.9	6.6	2.9	11
Professional, Scientific, Technical and Administrative	-4.4	8.8	7.1	8	10.1	25.7	20.5	-2.6	5.6	-17.1
Government services	6.3	0.4	3	20.3	23.2	11.3	2.8	10.6	-1.8	-1.4
Education, Health, Recreation, and Other Services	2.2	-12.1	10.7	42.9	-7.1	10.8	-11.0	-6.0	17.4	3.8
Plus Taxes less Subsidies on Products	2.0	7.5	10.7	10.9	24.2	17.7	-2.4	-15.2	9.6	0.3
Less imputed Bank Service Charge	9.9	1.3	22.0	11.3	10.4	13.6	9.8	8.6	15.3	-15.4
Gross Domestic Product	5.1	6.2	5.7	12.7	10.9	14.2	5.7	4.3	4.4	2.0
GDP per capita (in Vatu)	2.8	3.8	3.4	10.1	8.4	9.3	4.2	1.4	3.8	-0.3

Source: Vanuatu National Statistics Office, 2013

Table 15: Growth Rates – Constant Price GDP by Industry

Industry	Percentage (%)									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
AGRICULTURE, FISHING & FORESTRY	3.7	4.6	2.3	1.5	3.5	2.6	0.7	4.8	6.1	2.2
Crop Production	3.5	6.1	-2.3	3.5	3.1	2.1	-0.7	3.8	6.0	-0.2
Animal Production	6.6	2.6	12.2	6.1	5.2	3.4	6.6	11.3	7.0	14.5
Forestry	3.2	-13.4	66.1	-27.4	6.6	6.5	6.6	6.8	6.8	7.0
Fishing	2.7	2.2	1.8	3.1	3.5	3.4	3.5	3.6	3.6	3.7
INDUSTRY	-4.6	-2.2	5.3	25	-10.1	27.5	27.6	12.6	-19.4	-22.2
Mining and Quarrying	-	-	-	-	12.4	0.2	1.0	0.7	0.8	1.5
Manufacturing	-4	1.8	-2.0	34.7	-37.8	-4.4	14.2	86.5	-8.6	-13.8
Electricity and Water Supply	-1	3.4	4.1	2.7	6.7	14.1	2.0	7.3	2.5	-2.4
Construction	-8.4	-13.0	18.6	31.5	7.1	73.5	46.2	-11.2	-36.2	-44.3
SERVICES	6.2	3.9	6.6	9.1	4.4	5.0	3.3	3.0	3.2	4.4
Wholesale and Retail Trade and repair of Motor vehicles	18.5	-2.6	0.1	4.1	-0.1	5.3	4.8	2.1	7.2	-7.5
Other Wholesale Trade	3.6	14.6	9.6	9.2	-1.9	-15.8	-1.8	6.8	4.0	28.0
Retail Trade	4.7	-5.2	-5.4	37.9	4.1	7.2	5.3	9.6	4.7	2.6
Transport	30.7	22.2	22.3	-0.4	9.0	-18.2	25.4	0.1	3.0	28.9
Accommodation and Food Services	-2.3	15.2	-3.2	3.7	10.5	10.6	16.5	1.8	-1.0	4.4
Information and Communication	-0.7	8.3	9.8	2.9	21.9	22.7	19.9	0.0	7.3	-8.4
Finance and Insurance	20.0	6.8	20.8	7.1	-2.0	16.9	-23.4	-1.9	9.1	-0.1
Real Estate	4.2	6.0	7.7	2.4	2.5	3.7	1.8	5.9	3.1	9.1
Professional, Scientific, Technical and Administrative	-7.2	7.3	5.8	5.8	5.9	19.9	15.2	-5.0	4.7	-20.1
Government services	5.6	-2.7	1.3	-0.9	6.7	3.5	3.0	-5.3	4.1	2.0
Education, Health, Recreation, and Other Services	0.2	-13.5	9.9	40.0	-10.5	5.0	-14.7	-10.6	14.4	1.4
Plus Taxes less Subsidies on Products	-0.9	6.0	9.2	8.9	23.1	9.0	-6.6	-17.3	8.6	-5.4
Less imputed Bank Service Charge	6.7	-0.1	20.5	9.1	6.2	8.4	5.0	5.9	14.3	-20.2
Gross Domestic Product	4.3	4.0	5.3	8.8	5.2	6.5	3.3	1.6	1.2	1.8
GDP per capita	1.9	1.6	2.9	6.0	2.8	4.1	1.1	0.8	-1.1	0.5

Source: Vanuatu National Statistics Office, 2013

Table 16: Agriculture Sector Production, Current Price

	Vatu Million									
Sub-group	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Subsistence custom/traditional agriculture	6,129	6,661	6,577	7,103	7,722	8,016	9,096	9,432	10,085	12,154
Garden and food crops	4,801	5,285	5,196	5,693	6,239	6,529	7,575	7,763	8,327	10,442
Kava	553	563	574	585	596	607	619	631	643	655
Fishing	306	320	327	335	363	348	332	353	344	367
Livestock	120	120	116	115	112	105	117	123	125	117
Poultry	71	72	76	78	81	78	76	94	89	92
Coconut	100	107	93	82	129	132	108	183	275	209
Firewood	179	193	194	215	201	216	270	285	282	272
Commercial agriculture	2,643	2,968	3,034	3,098	3,365	4,424	3,772	4,643	6,131	5,961
Copra	605	814	404	355	849	1,470	458	1,176	1,989	1,313
Coconut	20	27	31	31	34	30	33	24	27	39
Kava	902	1,094	1,135	1,306	1,117	1,257	1,273	1,204	1,442	1,380
Beef	487	546	640	706	662	967	1,172	1,323	1,519	2,215
Forestry and logging	292	218	504	334	364	397	433	473	516	522
Cocoa	126	71	60	96	71	62	83	140	267	131
Coffee	2	1	2	4	2	4	5	4	3	5
Fishing	49	38	62	64	50	51	118	86	138	121
Livestock	38	38	37	37	36	33	37	39	40	37
Poultry and dairy	93	97	133	138	149	125	130	144	155	170
Fruits and vegetables	28	24	26	27	31	28	30	30	36	27
Total agriculture	8,772	9,629	9,611	10,200	11,087	12,440	12,868	14,075	16,216	18,115

Source: Vanuatu National Statistics Office, 2013

Table 17: Agriculture sector Production, Constant Prices (2006)

	Vatu Million									
Sub-group	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Subsistence custom/traditional agriculture	6,660	6,803	6,949	7,103	7,273	7,446	7,627	7,811	8,000	8,194
Garden and food crops	5,330	5,447	5,567	5,693	5,834	5,979	6,127	6,279	6,435	6,595
Kava	553	563	574	585	596	607	619	631	643	655
Fishing	313	320	327	335	343	351	360	369	378	387
Livestock	111	112	114	115	116	119	123	126	129	133
Poultry	74	76	77	78	79	78	79	80	81	83
Coconut	77	79	81	82	84	87	89	91	93	95
Firewood	201	205	210	215	220	225	230	235	241	246
Commercial agriculture	2,738	3,023	3,104	3,098	3,285	3,382	3,273	3,613	4,116	4,192
Copra	469	597	349	355	556	624	376	585	673	600
Coconut	29	30	30	31	32	33	33	34	35	36
Kava	1,038	1,290	1,206	1,306	1,230	1,200	1,217	1,157	1,373	1,320
Beef	554	571	649	706	774	845	898	1,020	1,112	1,321
Forestry and logging	324	249	545	334	364	397	433	473	516	563
Cocoa	93	59	64	96	67	51	63	71	122	70
Coffee	3	1	2	4	3	6	1	1	1	1
Fishing	58	59	60	64	70	76	82	89	96	105
Livestock	35	36	36	37	37	38	39	40	41	42
Poultry and dairy	103	106	135	138	123	87	105	118	117	116
Fruits and vegetables	32	25	28	27	29	26	24	24	29	17
Total agriculture	9,397	9,826	10,053	10,200	10,558	10,828	10,899	11,424	12,116	12,386

Source: Vanuatu National Statistics Office, 2013

Table 18: Agriculture Sector Production, Current price – annual percentage change

Sub - group	Growth (%)									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Subsistence/Custom / traditional agriculture	-3.9	8.7	-1.3	8.0	8.7	3.8	17.9	3.5	3.1	20.5
Garden and food crops	-5.5	10.1	-1.7	9.6	9.6	4.6	21.4	2.5	2.5	25.4
Kava	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Fishing	2.3	4.7	2.2	2.2	8.4	-4.0	-4.0	1.9	1.0	6.8
Livestock	13.0	0.4	-3.4	-1.1	-2.3	-6.4	11.3	5.6	1.3	-6.4
Poultry	2.5	1.4	6.2	2.3	3.7	-2.9	-3.3	24.2	-5.2	3.5
Coconut	-10.2	8.0	-13.1	-11.7	56.4	2.5	-18.2	69.1	50.7	-24.2
Firewood	3.5	7.9	0.5	10.6	-6.2	7.2	24.8	5.8	-1.1	-3.8
Commercial agriculture	6.1	12.3	2.2	2.1	8.6	31.5	-14.7	22.6	32.5	-2.8
Copra	-0.8	34.4	-50.4	-12.1	139.2	73.0	-68.8	156.8	69.2	-34.0
Coconut	0.1	32.3	17.8	-1.5	9.2	-11.4	10.4	-27.6	11.2	46.6
Kava	3.5	21.3	3.7	15.1	-14.5	12.5	1.3	-5.5	19.8	-4.3
Beef	8.3	12.1	17.3	10.3	-6.3	46.2	21.2	12.9	14.8	45.9
Forestry and logging	4.0	-25.4	131.5	-33.8	9.1	9.1	9.1	9.1	9.1	1.2
Cocoa	161.5	-43.7	-14.9	58.7	-25.7	-12.2	32.3	49.3	116.4	-50.7
Coffee	11.5	-56.6	122.5	85.4	-46.6	66.8	28.4	-19.4	-18.4	64.6
Fishing	14.4	-22.3	62.0	3.9	-21.9	1.0	131.5	-26.8	60.0	-12.6
Livestock	13.0	0.4	-3.5	-1.1	-2.3	-6.5	11.3	5.5	1.3	-6.4
Poultry and dairy	-12.3	4.5	36.2	4.1	8.2	-16.6	4.5	10.4	7.6	9.9
Fruits and vegetables	12.0	-15.7	9.5	2.9	13.2	-8.8	7.4	-0.1	21.1	-24.6
Total agriculture	-1.1	9.8	-0.2	6.1	8.7	12.2	6.3	9.0	15.2	11.7

Source: Vanuatu National Statistics Office, 2013

Table 19 Agriculture Sector Production, constant price – annual percentage change

Sub - group	Growth (%)									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Subsistence/Custom / traditional agriculture	2.2	2.2	2.2	2.2	2.4	2.4	2.4	2.4	2.4	2.4
Garden and food crops	2.2	2.2	2.2	2.3	2.5	2.5	2.5	2.5	2.5	2.5
Kava	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Fishing	2.2	2.2	2.2	2.3	2.5	2.5	2.5	2.5	2.5	2.5
Livestock	1.1	1.1	1.1	1.1	1.1	2.7	2.7	2.7	2.7	2.7
Poultry	1.5	1.5	1.5	1.5	1.5	-1.7	1.5	1.5	1.5	1.5
Coconut	2.2	2.2	2.2	2.3	2.5	2.5	2.5	2.5	2.5	2.5
Firewood	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Commercial agriculture	7.9	10.4	2.7	-0.2	6.0	2.9	-3.2	10.1	14.2	1.8
Copra	12.9	27.3	-41.6	1.8	56.7	12.2	-39.7	55.7	15.0	-10.8
Coconut	2.2	2.2	2.2	2.3	2.5	2.5	2.5	2.5	2.5	2.5
Kava	3.9	24.3	-6.5	8.3	-5.8	-2.4	1.4	-4.9	18.6	-3.8
Beef	12.2	2.9	13.8	8.7	9.6	9.2	6.3	13.7	9.0	18.8
Forestry and logging	3.9	-23.1	118.8	-38.7	9.1	9.1	9.1	9.1	9.1	9.1
Cocoa	55.3	-36.6	8.7	49.9	-30.1	-24.1	25.2	-2.8	98.4	-42.7
Coffee	11.5	-60.0	116.1	80.0	-13.9	82.8	-77.9	-19.8	9.2	12.5
Fishing	5.7	1.8	0.1	8.3	8.3	8.4	8.4	8.4	8.5	8.5
Livestock	38.2	38.4	37.0	36.6	35.8	33.5	37.3	39.3	39.9	37.3
Poultry and dairy	-7.6	3.4	27.1	2.2	-10.6	-29.7	21.2	11.8	-0.8	-0.8
Fruits and vegetables	21.1	-21.7	13.9	-4.0	5.8	-10.7	-5.1	-0.1	21.1	-41.5
Total agriculture	3.7	4.6	2.3	1.5	3.5	2.6	0.7	4.7	6.1	2.2

Source: Vanuatu National Statistics Office, 2013

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.

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

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. Production data on agricultural crops, fish, cattle and forestry are obtained from the Vanuatu Commodity Marketing Board (VCMB), the Department of Forestry, the Department of Agriculture, the Department of Fisheries, and the Abattoirs. These data are supplemented by external trade data compiled by the National Statistics Office.

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 have been prepared using recommendations contained in the 5th edition of the IMF Balance of Payments Manual (BPM5).

Current and constant price estimates for GDP in Vanuatu are compiled using both the production and expenditure approaches. The data sources available for the production are more robust than those available for the expenditure approach. The official measure of GDP is therefore obtained from the production approach, with a statistical discrepancy being shown on the expenditure side to align the expenditure measure with the production measure.

Estimates of production for commercial copra and cocoa are based on volumes of these commodities received by VCMB 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. Coffee production is solely supply by small holders, and data on volume and price are capture from the main trading company.

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 2007 Agricultural Census. Output for domestic consumption is split between domestic sales to Nakamals (Kava Bars) and home consumption.

Value added for components of subsistence agriculture, such as fruits and vegetables, fishing and poultry is calculated using benchmark data from the 2007 Agricultural Census base on the number of plants or trees grown, the average yield per plant or trees

Manufacturing

The main data source for the manufacturing estimates is the annual business survey. However, for the years 2002 to 2011, the current price estimates for manufacturing production using output and intermediate consumption derived from VAT sales and expenditures 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 output and intermediate consumption are calculated using VAT data plus locally available building materials used in construction activities. An imputation is included for own account construction of dwellings in the subsistence sector.

and price data base on the CPI, adjusted to rural prices and reconciled to estimated values of purchases and own account production recorded in 2010 HIES and the 1999 and the 2009 Population Censuses.

Value added on the forestry and logging production has not been consistently reliable since the closure of the major logging companies. Information on logging activities from mini saw mill has been difficult to gather. Other forestry related activity is extrapolated by rural and urban dwelling figures from 2009 population census.

Service Industries

The value added for wholesale trade, retail trade and other wholesale trade, transport , accommodation and food services, information and communication, finance and insurance, real estate, administrative and other professional services and other services are estimate using output and intermediate consumption derived from the vat detail output and expenditure data collected by Custom Department. Business services and other services are estimated using data obtained from the annual business survey, supplemented by VAT sales data collected by the Department of Customs and Inland Revenue.

The wholesale and retail industry also includes copra and cocoa traders, co-operatives and petroleum companies. Separate estimates are compiled for each of these sub-sectors. Data for annual sales, intermediate inputs and other costs for copra and cocoa traders, and cooperatives are derived from VAT sales and expenditures

data. The output and intermediate cost for petroleum companies are estimates separately from their accounts and supplemented with VAT data for latest years.

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.

APPENDIX 2

GLOSSARY OF NATIONAL ACCOUNTING TERMS

At Constant (average 2006) Prices

An aggregate at constant (average 2006) prices is the value obtained by applying the base year (2006) 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 2006 prices. However, IPDs are not pure measures of price change as they are also affected by changes in the composition of the aggregates and the method for constant price estimation 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.

Compensation of Employees

It 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 or 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 (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 total sum 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, government, and non-profit institution service households) and for investment or capital formation (cultivated assets, 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 cultivated assets, construction 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 households, NPISH and general government, and gross capital formation (gross fixed capital formation plus changes in inventories).

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 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. Due to lack of data separate estimates cannot be 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 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 centre 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 travelers 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 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.

Wages and Salaries

Wages and salaries consist of wages and salaries in cash and wages and salaries in kind. Wages and salaries comprise all payments to employees (before deducting employees own contributions to the Vanuatu National Provident Fund) covering basic compensation, payments for overtime or standby time, and all allowances for housing, education etc. Also included are holiday and sick pay, gratuities and lump sum payments for holidays or on termination of employment. Fees paid to directors of corporations are also included.