



PAPUA NEW GUINEA

NATIONAL ACCOUNTS 2020 to 2025

Gross Domestic Product at Current Price and Constant Price

EMBARGO: 11:30 am, Wednesday 14th October 2026

2025 GDP at Current Price

K136.5 billion

+15.0% Increase

2024 GDP at Current Price

K118.7 billion

In 2025, Papua New Guinea's Current Price GDP grew by K17.8 billion, this is a 15.0% increase compared to 2024 GDP. The key driver for this increase was the Mining & Quarrying sector. Increases in volume were observed across the Mining industry. Strong increases in prices were observed for Other Mining (minerals).

2025 GDP at Constant Price

K76.7 billion

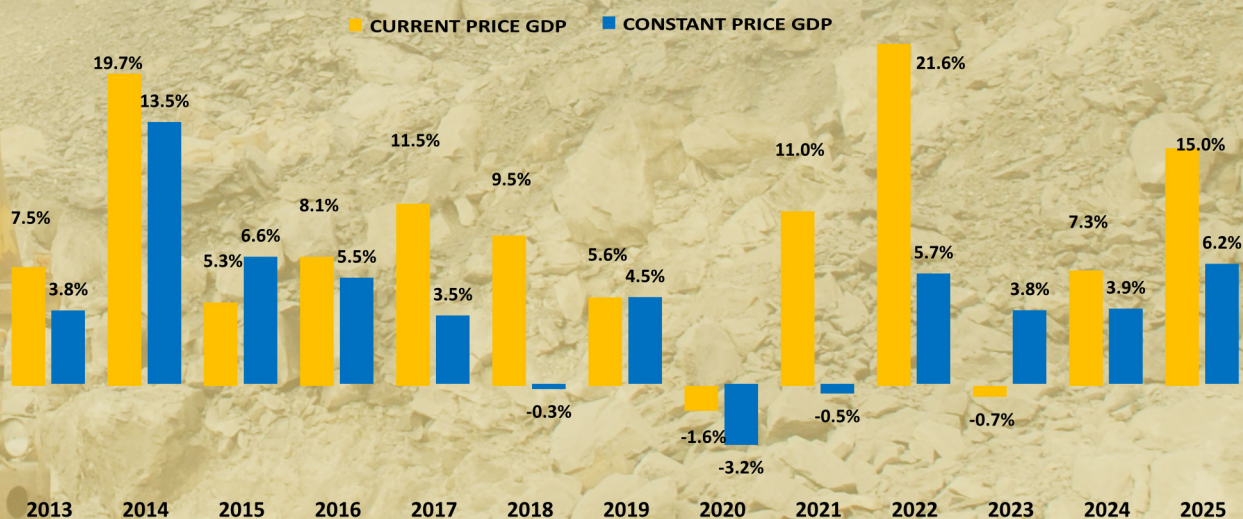
+6.2% Increase

2024 GDP at Constant Price

K72.7 billion

In 2025, PNG's GDP at Constant Price or Real GDP grew by K4.5 billion, this is a +6.2% increase compared to 2024 GDP. This growth reflects an increase in production volume, excluding the impact of price changes.

Economic Review: PNG's GDP, 2013 - 2025. Base Year: 2013



PNG's Constant Price GDP (in blue) has seen positive growth for most years over the period, the only significant fall was in 2020, which was impacted by COVID-19. PNG's Current Price GDP (in yellow) has also seen positive growth for most years, with the only significant fall in 2020. The Current and Constant Price growth in 2025 can be considered moderately strong with the Current Price growth of 15.0% being the second strongest in the period and the Constant Price growth of 6.2% being the third strongest over this period.

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Foreword

I am pleased to present the 2025 Gross Domestic Product (GDP) Estimates for Papua New Guinea, providing the latest official measure of our economic performance.

This year's release represents a significant improvement in timeliness, with the publication time lag reduced from ten months to nine months. This is a positive step in the National Statistical Office's ongoing efforts to provide timely, reliable and high-quality economic statistics.

I acknowledge the valuable technical support and collaboration of the Australian Bureau of Statistics (ABS), as well as the commitment of the NSO National Accounts team and the continued cooperation of our government agencies, businesses and other data providers. These partnerships are important to strengthening the quality and timeliness of Papua New Guinea's economic statistics.

The NSO remains committed to further improving the quality, timeliness and accessibility of official statistics to support informed decision-making, policy development and national planning.

I thank all our partners, stakeholders and data providers for their continued support and cooperation.



ALFRED MOKAE (MR)
NATIONAL STATISTICIAN

Revision Analysis

For Table 7A GROSS VALUE ADDED BY INSTITUTIONAL SECTOR, CURRENT PRICE ESTIMATES, the 2023 and 2024 levels for Non-Financial Corporations and Households sectors have been revised. The NSO has undertaken a minor update of the formal–informal splits in Agriculture, Forestry and Fishing for 2023 and 2024. The update reallocated some household production to the Non-Financial Corporations sector providing a more accurate informal-formal split without impacting the published Agriculture, Forestry and Fishing aggregates for Gross Value Added (Table 4 and Table 8).

Overview of Papua New Guinea, 2020 - 2025

Gross Domestic Product (GDP) by Production Approach

Table showing GDP Levels (K Billion) and Growth, 2024 to 2025

	2024	2025	Growth
GDP at Current Price (Nominal GDP)	118.7	136.5	+15.0%
GDP at Constant Price (Real GDP)	72.2	76.7	+6.2%

Source: Table 1A & 1B, National Accounts 2020 to 2025, NSO

GDP at Current Price

Papua New Guinea's 2025 Current Price GDP or Nominal was estimated at K136.5 billion, representing an increase of K17.8 billion (+15.0%) compared to 2024.

Key Industries that contributed to this growth were.

- Mining and Quarrying: +27.8% or a K9.1 billion increase.
 - *Other Mining*: +60.6% or a K7.6 billion increase.
 - *Extraction of Crude Petroleum and Natural Gas*, +7.4%, K1.5 billion increase
- Agriculture, Fishing and Forestry: +18.3% or a K3.7 billion increase.
- Wholesale and Retail Trade: + 7.4% or a K0.8 billion increase
- Administrative and Support Services: +4.8% or a K0.4 billion increase

There were no significant offsets to the nominal growth in 2025, as most major industries recorded increases in current price terms. Overall growth was mainly supported by Mining and Quarrying and Agriculture, Forestry and Fishing

GDP at Constant Price

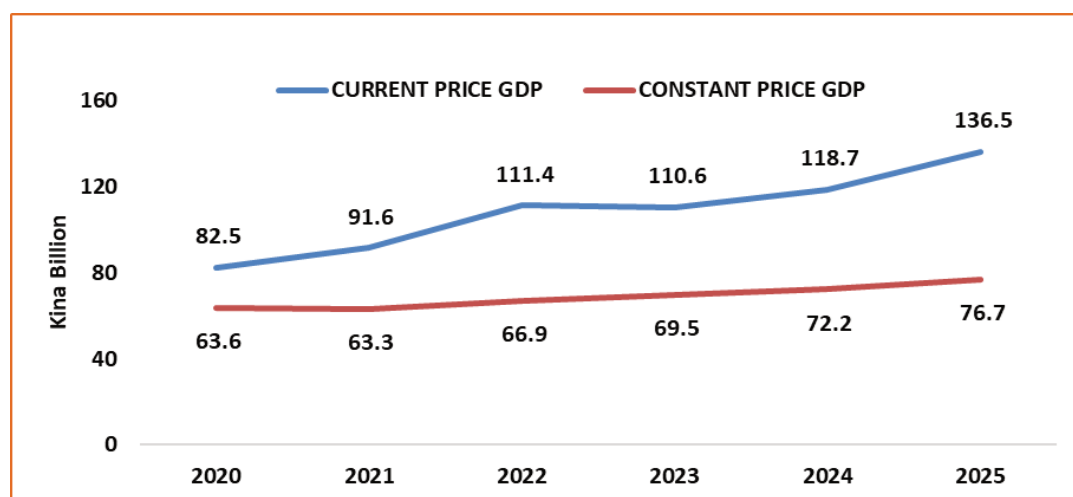
In 2025, PNG's economy grew by K4.5 billion (+6.2%) from 2024. GDP in Constant Price accounts for changes in production volumes only.

Key contributing industries to the growth were:

- Mining and Quarrying: +9.2% or a K1.7 billion increase.
 - *Extraction of crude petroleum and natural gas*: +7.8% or a K1.0 billion increase.
 - *Other Mining*, +12.0% or K0.7 billion
- Agriculture, Fishing and Forestry: +6.9 % or a K0.8 billion increase
- Wholesale and Retail Trade: +3.5% or K0.24 billion increase
- Public Administration and Defence: +4.4% or K0.19 billion increase

There were no significant offsets to real GDP growth in 2025, with most major industries recording growth in production volumes. The overall increase reflects broad-based growth across the economy.

Figure 1. GDP levels, 2020 to 2025



Source: Table 1A, National Accounts 2020 to 2025, NSO

GDP at Current Prices

From 2020 to 2025, PNG's GDP at current prices (Nominal GDP) increased by 65.4 percent, or K54.0 billion, from K82.5 billion in 2020 to K136.5 billion in 2025. The increase reflects growth across both the resource and non-resource economies. In this publication, the resource economy comprises Other Mining and Oil & Gas, while the non-resource economy covers all other industries. Over the period, the non-resource economy contributed approximately K30 billion to the overall increase. The resource economy was significantly affected by the COVID-19 pandemic, which disrupted mining operations and economic activity in the early years.

The economy strengthened from 2022 as resource-sector operations recovered following the COVID-19 disruptions. Higher international commodity prices, particularly for gold, copper and other minerals, also contributed to the increase in the value of economic output in Kina terms. Overall, the period from 2020 to 2025 reflects expansion across both the resource and non-resource economies, with the non-resource economy making a substantial contribution to the increase in GDP.

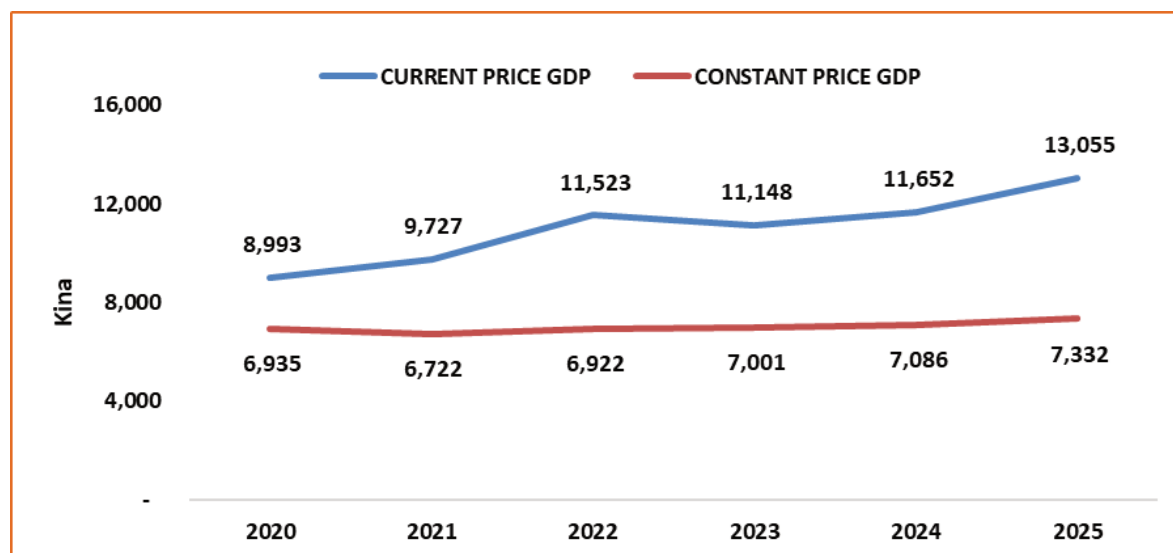
GDP at Constant Prices (Real GDP)

From 2020 to 2025, PNG's GDP at constant prices (Real GDP) increased by 20.5 percent, or K13.0 billion, from K63.6 billion in 2020 to K76.7 billion in 2025. The increase was largely driven by the non-resource economy, which contributed approximately K11 billion to the overall increase over the period. Economic activity was affected by the COVID-19 pandemic and related disruptions, particularly in the resource sector.

Following the pandemic, the economy recovered strongly, with Real GDP increasing by 21.1 percent, or K13.4 billion, between 2021 and 2025. The recovery was supported by the reopening and expansion of mining operations, alongside continued improvements in the non-resource economy.

In 2025, Real GDP grew by 6.2 percent, with the resource economy increasing by 9.2 percent and the non-resource economy increasing by 5.0 percent from 2024. This broad-based growth reflects stronger performance across key industries.

Figure 2. GDP Per Capita in Levels, Kina, 2020 to 2025



Source: Table 1C, National Accounts 2020 to 2025, NSO

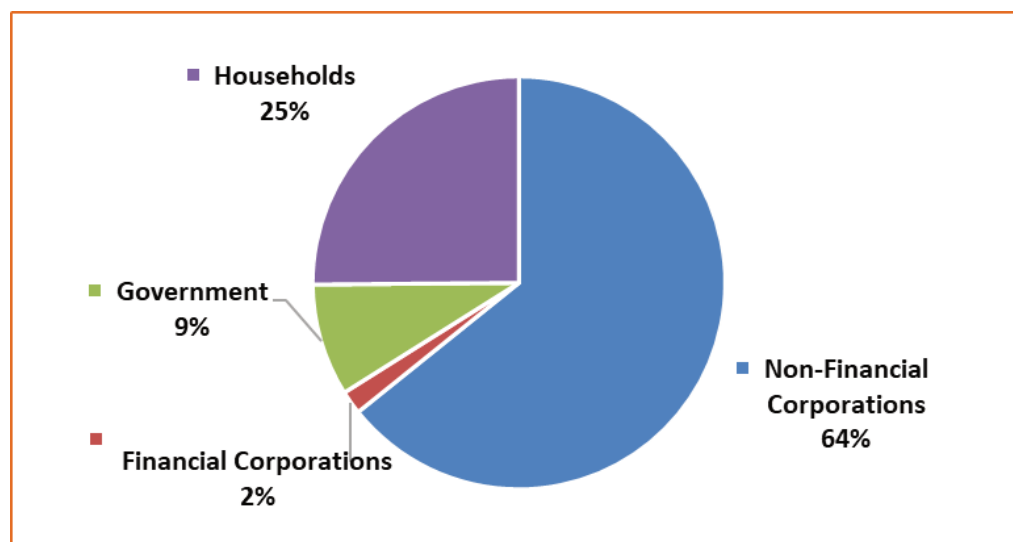
GDP Per Capita (Constant Price / Real GDP), 2020 to 2025

GDP per capita is calculated by dividing GDP by population and provides an indication of economic output per person. GDP per capita estimates are based on an annual population growth rate of 2.6 percent.

Between 2020 and 2025, GDP per capita at current prices increased by 45.2 percent, from K8,993 to K13,055. After removing the effect of price changes, constant-price (Real) GDP per capita increased by 5.7 percent, from K6,935 in 2020 to K7,332 in 2025.

Real GDP per capita increased by 3.5 percent in 2025, from K7,086 in 2024 to K7,332, reflecting the growth in real economic activity during the year. This indicates that real economic output increased faster than population, resulting in higher economic output per person. While GDP per capita is not a direct measure of household welfare or living standards, sustained growth in real GDP per capita can indicate improving economic conditions per person.

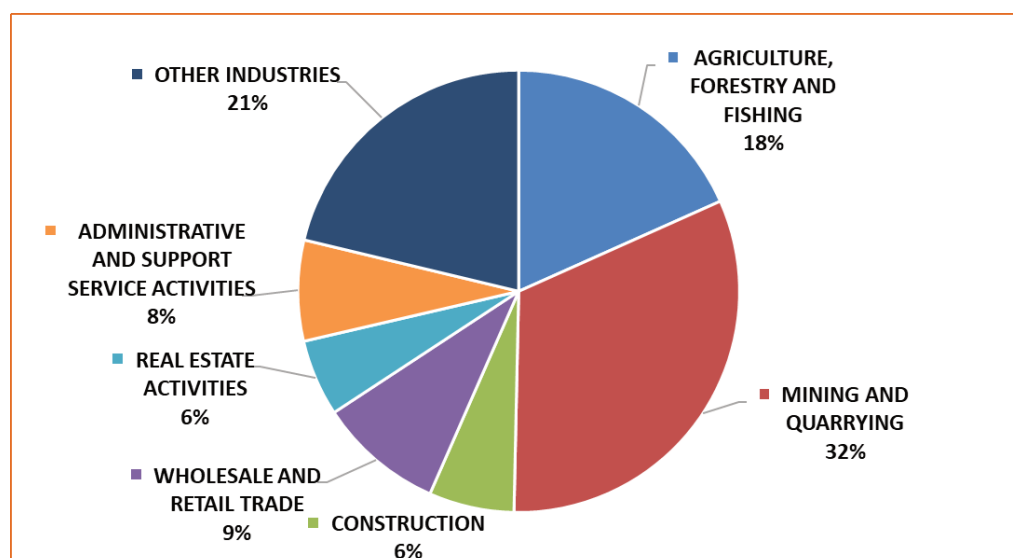
Figure 3. Institutional Sector Share, Current Price, 2025



Source: Table 7A, National Accounts 2020 to 2025, NSO

The graph illustrates the proportion of total economic activity attributed to four institutional sectors in 2025: Non-Financial Corporations, General Government, Financial Corporations, and Households. The sector share represents the percentage of total economic activity generated by each sector. Figure 3 shows that Non-Financial Corporations accounted for 64% of the total economic activity in 2025.

Figure 4. Key Industry Share, Current Price, 2025



Source: Table 6, National Accounts 2020 to 2025, NSO

The Mining and Quarrying sector continues to be the largest industry in Papua New Guinea's economy, with 32% of the total economic activity in 2025.

Collectively, the seven key industries contribute approximately 79% to the economy, underscoring their pivotal roles in shaping the economic landscape.

The remaining 21% of the economy is made up of the smallest 14 industries combined, categorised under "Other Industries."

TABLE 1. KEY AGGREGATES

TABLE 1A. GDP LEVELS, CURRENT PRICE AND CONSTANT PRICE (KINA BILLIONS)

	2020	2021	2022	2023	2024	2025
CURRENT PRICE GDP	82.5	91.6	111.4	110.6	118.7	136.5
CONSTANT PRICE GDP	63.6	63.3	66.9	69.5	72.2	76.7

TABLE 1B. GDP GROWTH, CURRENT PRICE AND CONSTANT PRICE, PERCENTAGE (%) CHANGE (a)

	2020	2021	2022	2023	2024	2025
CURRENT PRICE GDP	-1.6%	11.0%	21.6%	-0.7%	7.3%	15.0%
CONSTANT PRICE GDP	-3.2%	-0.5%	5.7%	3.8%	3.9%	6.2%

TABLE 1C. GDP PER CAPITA, CURRENT PRICE AND CONSTANT PRICE (KINA)

	2020	2021	2022	2023	2024	2025
CURRENT PRICE GDP (a)	8,993	9,727	11,523	11,148	11,652	13,055
CONSTANT PRICE GDP	6,935	6,722	6,922	7,001	7,086	7,332

TABLE 1D. GDP PER CAPITA, CURRENT PRICE AND CONSTANT PRICE, PERCENTAGE (%) CHANGE (a)

	2020	2021	2022	2023	2024	2025
CURRENT PRICE GDP	-4.1%	8.2%	18.5%	-3.3%	4.5%	12.0%
CONSTANT PRICE GDP	-5.7%	-3.1%	3.0%	1.1%	1.2%	3.5%

(a) Percentage change on preceding year.

TABLE 2. INDUSTRY OUTPUT, CURRENT PRICE ESTIMATES
(KINA MILLIONS)

	2020	2021	2022	2023	2024	2025
A AGRICULTURE, FORESTRY AND FISHING	21,310	24,506	26,525	25,049	27,861	32,974
Crop and animal production	17,284	21,314	22,864	21,886	24,425	28,966
Forestry and logging	1,596	1,278	1,688	1,312	1,350	1,429
Fishing and aquaculture	2,430	1,914	1,973	1,851	2,086	2,550
B MINING AND QUARRYING	28,339	32,104	48,374	41,798	45,869	59,951
Extraction of crude petroleum and natural gas	14,897	20,021	33,717	26,717	25,769	27,687
Other Mining	13,442	12,083	14,657	15,082	20,100	32,264
C MANUFACTURING	6,778	7,483	8,474	8,661	9,525	10,608
D ELECTRICITY SUPPLY	1,700	1,667	1,694	1,748	1,820	1,966
E WATER SUPPLY, SEWAGE, WASTE MANAGEMENT	480	517	566	644	685	680
F CONSTRUCTION	12,482	13,784	16,250	17,191	19,251	20,231
G WHOLESALE AND RETAIL TRADE	10,446	11,563	13,174	13,857	14,551	15,642
H TRANSPORT AND STORAGE	4,370	4,668	5,510	6,132	6,665	7,468
I ACCOMMODATION AND FOOD SERVICE ACTIVITY	2,171	2,358	2,638	2,909	3,110	3,458
J INFORMATION AND COMMUNICATION	3,091	3,462	4,033	4,307	4,501	4,807
K FINANCIAL AND INSURANCE ACTIVITIES	3,458	3,517	3,811	4,158	4,472	4,704
Finance	2,062	2,202	2,413	2,670	2,942	3,081
Insurance	1,396	1,315	1,399	1,488	1,531	1,622
L REAL ESTATE ACTIVITIES	7,103	7,414	8,023	8,500	9,068	9,538
Rent & Other	3,149	3,156	3,401	3,626	3,882	4,140
Imputed Rent	3,954	4,258	4,622	4,874	5,186	5,398
M PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACT	1,414	1,447	1,567	1,671	1,791	1,959
N ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	10,747	11,272	12,926	13,588	14,636	15,326
O PUBLIC ADMINISTRATION AND DEFENCE	10,391	11,999	13,265	12,746	12,813	13,050
P EDUCATION	2,728	3,132	3,404	3,266	3,724	4,025
Q HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	4,312	4,992	5,504	5,255	5,310	5,375
R ARTS, ENTERTAINMENT, RECREATION	56	66	75	82	85	93
S OTHER SERVICE ACTIVITIES	1,435	1,644	1,978	2,178	2,480	2,613
T ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS	38	38	41	45	48	50
OUTPUT AT BASIC PRICES	132,848	147,633	177,831	173,783	188,265	214,517

TABLE 3. INDUSTRY OUTPUT, CURRENT PRICE ESTIMATES - PERCENTAGE (%) CHANGE (a)

		2020	2021	2022	2023	2024	2025
A	AGRICULTURE, FORESTRY AND FISHING	9.0%	15.0%	8.2%	-5.6%	11.2%	18.3%
	Crop and animal production	13.0%	23.3%	7.3%	-4.3%	11.6%	18.7%
	Forestry and logging	-17.2%	-20.0%	32.2%	-22.3%	2.9%	5.8%
	Fishing and aquaculture	4.5%	-21.2%	3.1%	-6.1%	12.7%	22.2%
B	MINING AND QUARRYING	-15.1%	13.3%	50.7%	-13.6%	9.7%	30.7%
	Extraction of crude petroleum and natural gas	-21.1%	34.4%	68.4%	-20.8%	-3.5%	7.4%
	Other Mining	-7.2%	-10.1%	21.3%	2.9%	33.3%	60.5%
C	MANUFACTURING	-2.7%	10.4%	13.2%	2.2%	10.0%	11.4%
D	ELECTRICITY SUPPLY	5.3%	-1.9%	1.7%	3.2%	4.1%	8.1%
E	WATER SUPPLY, SEWAGE, WASTE MANAGEMENT	3.6%	7.8%	9.4%	13.8%	6.4%	-0.8%
F	CONSTRUCTION	4.6%	10.4%	17.9%	5.8%	12.0%	5.1%
G	WHOLESALE AND RETAIL TRADE	3.8%	10.7%	13.9%	5.2%	5.0%	7.5%
H	TRANSPORT AND STORAGE	-24.5%	6.8%	18.0%	11.3%	8.7%	12.1%
I	ACCOMMODATION AND FOOD SERVICE ACTIVITY	-6.1%	8.6%	11.9%	10.3%	6.9%	11.2%
J	INFORMATION AND COMMUNICATION	4.0%	12.0%	16.5%	6.8%	4.5%	6.8%
K	FINANCIAL AND INSURANCE ACTIVITIES	-4.3%	1.7%	8.4%	9.1%	7.6%	5.2%
	Finance	-7.1%	6.8%	9.6%	10.7%	10.2%	4.7%
	Insurance	0.2%	-5.8%	6.4%	6.4%	2.8%	6.0%
L	REAL ESTATE ACTIVITIES	7.3%	4.4%	8.2%	6.0%	6.7%	5.2%
	Rent & Other	6.2%	0.2%	7.8%	6.6%	7.1%	6.6%
	Imputed Rent	8.1%	7.7%	8.5%	5.5%	6.4%	4.1%
M	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACT	5.1%	2.3%	8.3%	6.6%	7.2%	9.4%
N	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	1.0%	4.9%	14.7%	5.1%	7.7%	4.7%
O	PUBLIC ADMINISTRATION AND DEFENCE,	12.5%	15.5%	10.5%	-3.91%	0.52%	1.85%
P	EDUCATION	14.1%	14.8%	8.7%	-4.0%	14.0%	8.1%
Q	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	57.2%	15.8%	10.3%	-4.5%	1.1%	1.2%
R	ARTS, ENTERTAINMENT, RECREATION	-4.5%	18.5%	13.5%	8.9%	3.7%	10.1%
S	OTHER SERVICE ACTIVITIES	-13.8%	14.6%	20.3%	10.1%	13.9%	5.4%
T	ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS	8.1%	-0.4%	8.5%	8.5%	6.4%	4.5%
	OUTPUT AT BASIC PRICES	-0.4%	11.1%	20.5%	-2.3%	8.3%	13.9%

(a) Percentage change on preceding year.

TABLE 4. INDUSTRY GROSS VALUE ADDED, CURRENT PRICE ESTIMATES
(KINA MILLIONS)

		2020	2021	2022	2023	2024	2025
A	AGRICULTURE, FORESTRY AND FISHING	15,476	17,400	18,835	18,761	20,201	23,907
	Crop and animal production	13,424	15,592	16,806	16,865	18,157	21,379
	Forestry and logging	789	694	859	742	773	823
	Fishing and aquaculture	1,263	1,113	1,170	1,154	1,271	1,705
B	MINING AND QUARRYING	20,041	23,192	35,524	30,306	32,695	41,785
	Extraction of crude petroleum and natural gas	11,663	15,675	26,398	20,917	20,176	21,677
	Other Mining	8,378	7,517	9,126	9,389	12,519	20,108
C	MANUFACTURING	1,391	1,559	1,813	1,837	1,955	2,175
D	ELECTRICITY SUPPLY	722	709	721	744	753	816
E	WATER SUPPLY, SEWAGE, WASTE MANAGEMENT	177	191	209	251	259	274
F	CONSTRUCTION	4,938	5,533	6,602	7,003	7,694	8,154
G	WHOLESALE AND RETAIL TRADE	8,107	8,973	10,107	10,625	11,150	11,978
H	TRANSPORT AND STORAGE	1,667	1,793	2,125	2,302	2,421	2,728
I	ACCOMMODATION AND FOOD SERVICE ACTIVITY	1,352	1,446	1,621	1,768	1,857	2,045
J	INFORMATION AND COMMUNICATION	1,406	1,666	1,906	2,072	2,185	2,326
K	FINANCIAL AND INSURANCE ACTIVITIES	1,919	1,998	2,176	2,390	2,605	2,734
	Finance	1,508	1,610	1,764	1,951	2,150	2,251
	Insurance	411	388	412	439	455	483
L	REAL ESTATE ACTIVITIES	5,436	5,689	6,158	6,529	6,960	7,311
	Rent & Other	2,075	2,070	2,229	2,387	2,552	2,723
	Imputed Rent	3,361	3,619	3,928	4,143	4,408	4,588
M	PROFESSIONAL, SCIENTIFIC AND TECH ACT	833	855	942	1,000	1,094	1,204
N	ADMINISTRATIVE AND SUPPORT SERVICE ACT	6,687	7,030	8,076	8,480	9,177	9,620
O	PUBLIC ADMINISTRATION AND DEFENCE,	4,390	4,732	5,056	5,698	6,049	6,490
P	EDUCATION	2,276	2,416	2,570	2,787	3,263	3,574
Q	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	1,771	1,934	2,064	2,177	2,282	2,567
R	ARTS, ENTERTAINMENT, RECREATION	29	32	36	38	42	45
S	OTHER SERVICE ACTIVITIES	426	436	523	580	674	717
T	ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS	33	35	38	42	44	46
	GVA AT BASIC PRICES	79,077	87,619	107,101	105,392	113,360	136,485
	TAXES LESS SUBSIDIES ON PRODUCTS	3,438	3,993	4,294	5,227	5,320	5,990
	GROSS DOMESTIC PRODUCT (GDP)	82,515	91,612	111,395	110,619	118,680	136,485

TABLE 5. INDUSTRY GROSS VALUE ADDED, CURRENT PRICE ESTIMATES - PERCENTAGE (%) CHANGE
(a)

	2020	2021	2022	2023	2024	2025
A AGRICULTURE, FORESTRY AND FISHING	8.7%	12.4%	8.3%	-0.4%	7.7%	18.3%
Crop and animal production	10.5%	16.2%	7.8%	0.4%	7.7%	17.7%
Forestry and logging	-11.2%	-12.0%	23.7%	-13.7%	4.2%	6.5%
Fishing and aquaculture	5.6%	-11.9%	5.2%	-1.4%	10.1%	34.2%
B MINING AND QUARRYING	-15.6%	15.7%	53.2%	-14.7%	7.9%	27.8%
Extraction of crude petroleum and natural gas	-20.8%	34.4%	68.4%	-20.8%	-3.5%	7.4%
Other Mining	-7.3%	-10.3%	21.4%	2.9%	33.3%	60.6%
C MANUFACTURING	-1.9%	12.1%	16.3%	1.3%	6.4%	11.3%
D ELECTRICITY SUPPLY	5.3%	-1.8%	1.7%	3.2%	1.3%	8.3%
E WATER SUPPLY, SEWAGE, WASTE MANAGEMENT	11.5%	8.3%	9.6%	19.8%	3.1%	5.8%
F CONSTRUCTION	3.8%	12.0%	19.3%	6.1%	9.9%	6.0%
G WHOLESALE AND RETAIL TRADE	4.6%	10.7%	12.6%	5.1%	4.9%	7.4%
H TRANSPORT AND STORAGE	-17.2%	7.5%	18.5%	8.3%	5.2%	12.7%
I ACCOMMODATION AND FOOD SERVICE ACTIVITY	-4.5%	6.9%	12.1%	9.1%	5.0%	10.1%
J INFORMATION AND COMMUNICATION	5.4%	18.5%	14.4%	8.7%	5.4%	6.5%
K FINANCIAL AND INSURANCE ACTIVITIES	-6.6%	4.1%	8.9%	9.8%	9.0%	4.9%
Finance	-8.3%	6.8%	9.6%	10.6%	10.2%	4.7%
Insurance	0.2%	-5.8%	6.4%	6.4%	3.8%	6.0%
L REAL ESTATE ACTIVITIES	7.5%	4.7%	8.2%	6.0%	6.6%	5.0%
Rent & Other	6.7%	-0.2%	7.7%	7.1%	6.9%	6.7%
Imputed Rent	8.1%	7.7%	8.5%	5.5%	6.4%	4.1%
M PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACT	5.1%	2.6%	10.2%	6.2%	9.3%	10.0%
N ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	4.0%	5.1%	14.9%	5.0%	8.2%	4.8%
O PUBLIC ADMINISTRATION AND DEFENCE,	11.7%	7.8%	6.8%	12.7%	6.2%	7.3%
P EDUCATION	4.0%	6.2%	6.4%	8.4%	17.1%	9.5%
Q HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	12.7%	9.2%	6.7%	5.5%	4.8%	12.5%
R ARTS, ENTERTAINMENT, RECREATION	0.0%	12.4%	11.7%	6.6%	8.9%	8.2%
S OTHER SERVICE ACTIVITIES	-11.4%	2.4%	19.9%	11.0%	16.2%	6.3%
T ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS	8.1%	7.7%	8.5%	8.5%	6.4%	4.5%
GVA AT BASIC PRICES	-1.3%	10.8%	22.2%	-1.6%	7.6%	15.1%
 TAXES LESS SUBSIDIES ON PRODUCTS	 -8.4%	 16.2%	 7.5%	 21.7%	 1.8%	 12.6%
 GROSS DOMESTIC PRODUCT (GDP)	 -1.6%	 11.0%	 21.6%	 -0.7%	 7.3%	 15.0%

(a) Percentage change on preceding year

TABLE 6. INDUSTRY SHARE OF GROSS VALUE ADDED, CURRENT PRICE- PERCENTAGE (%) (a)

	2020	2021	2022	2023	2024	2025
A AGRICULTURE, FORESTRY AND FISHING	19.6%	19.9%	17.6%	17.8%	17.8%	18.3%
B MINING AND QUARRYING	25.3%	26.5%	33.2%	28.8%	28.8%	32.0%
C MANUFACTURING	1.8%	1.8%	1.7%	1.7%	1.7%	1.7%
D ELECTRICITY SUPPLY	0.9%	0.8%	0.7%	0.7%	0.7%	0.6%
E WATER SUPPLY, SEWAGE, WASTE MANAGEMENT	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
F CONSTRUCTION	6.2%	6.3%	6.2%	6.6%	6.8%	6.2%
G WHOLESALE AND RETAIL TRADE	10.3%	10.2%	9.4%	10.1%	9.8%	9.2%
H TRANSPORT AND STORAGE	2.1%	2.0%	2.0%	2.2%	2.1%	2.1%
I ACCOMMODATION AND FOOD SERVICE ACTIVITY	1.7%	1.6%	1.5%	1.7%	1.6%	1.6%
J INFORMATION AND COMMUNICATION	1.8%	1.9%	1.8%	2.0%	1.9%	1.8%
K FINANCIAL AND INSURANCE ACTIVITIES	2.4%	2.3%	2.0%	2.3%	2.3%	2.1%
L REAL ESTATE ACTIVITIES	6.9%	6.5%	5.7%	6.2%	6.1%	5.6%
M PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACT	1.1%	1.0%	0.9%	0.9%	1.0%	0.9%
N ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	8.5%	8.0%	7.5%	8.0%	8.1%	7.4%
O PUBLIC ADMINISTRATION AND DEFENCE	5.6%	5.4%	4.7%	5.4%	5.3%	5.0%
P EDUCATION	2.9%	2.8%	2.4%	2.6%	2.9%	2.7%
Q HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	2.2%	2.2%	1.9%	2.1%	2.0%	2.0%
R ARTS, ENTERTAINMENT, RECREATION	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
S OTHER SERVICE ACTIVITIES	0.5%	0.5%	0.5%	0.6%	0.6%	0.5%
T ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
OUTPUT AT BASIC PRICES	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

(a) Percentage for the total

TABLE 7A. GROSS VALUE ADDED BY INSTITUTIONAL SECTOR, CURRENT PRICE ESTIMATES
(KINA MILLIONS)

	2020	2021	2022	2023	2024	2025
NON-FINANCIAL CORPORATIONS	43,809	49,481	65,890	61,829	67,234	83,828
FINANCIAL CORPORATIONS	1,676	1,735	1,891	2,089	2,285	2,399
GOVERNMENT	7,653	8,238	8,776	9,658	10,546	11,479
HOUSEHOLDS	25,940	28,165	30,544	31,815	33,295	32,790
GVA AT BASIC PRICES	79,077	87,619	107,101	105,392	113,360	130,496

TABLE 7B. CURRENT PRICE, PERCENTAGE (%) CHANGE (a)

	2020	2021	2022	2023	2024	2025
NON-FINANCIAL CORPORATIONS	-7.3%	12.9%	33.2%	-6.2%	8.7%	24.7%
FINANCIAL CORPORATIONS	-8.4%	3.5%	9.0%	10.5%	9.4%	5.0%
GOVERNMENT	9.6%	7.6%	6.5%	10.1%	9.2%	8.8%
HOUSEHOLDS	8.1%	8.6%	8.4%	4.2%	4.7%	-1.5%
GVA AT BASIC PRICES	-1.3%	10.8%	22.2%	-1.6%	7.6%	15.1%

(a) Percentage change on preceding year.

Note: Growth rate for NFC and Households are not reflective of activities due to updated Formal-Informal splits for AFF

TABLE 8. INDUSTRY GROSS VALUE ADDED, CONSTANT PRICE ESTIMATES
(KINA MILLIONS)

	2020	2021	2022	2023	2024	2025
A AGRICULTURE, FORESTRY AND FISHING	10,588	10,703	11,035	11,141	11,374	12,156
Crop and animal production	9,052	9,455	9,686	9,909	10,099	10,699
Forestry and logging	605	494	601	521	502	518
Fishing and aquaculture	931	754	747	712	772	939
B MINING AND QUARRYING	18,977	16,774	17,636	17,867	18,293	19,979
Extraction of crude petroleum and natural gas	12,961	12,035	12,198	12,347	12,190	13,143
Other Mining	6,016	4,740	5,438	5,519	6,103	6,836
C MANUFACTURING	939	1,007	1,112	1,102	1,171	1,275
D ELECTRICITY SUPPLY	608	593	597	603	619	643
E WATER SUPPLY, SEWAGE, WASTE MANAGEMENT	116	124	133	133	139	147
F CONSTRUCTION	3,381	3,626	4,110	4,262	4,620	4,766
G WHOLESALE AND RETAIL TRADE	5,610	5,943	6,349	6,526	6,714	6,952
H TRANSPORT AND STORAGE	1,163	1,198	1,343	1,421	1,498	1,617
I ACCOMMODATION AND FOOD SERVICE ACTIVITY	1,012	1,059	1,125	1,161	1,203	1,293
J INFORMATION AND COMMUNICATION	1,493	1,775	1,998	2,307	2,667	2,796
K FINANCIAL AND INSURANCE ACTIVITIES	1,345	1,340	1,387	1,452	1,531	1,578
Finance	1,057	1,080	1,124	1,186	1,266	1,302
Insurance	288	260	263	266	265	276
L REAL ESTATE ACTIVITIES	3,775	3,787	3,894	4,009	4,142	4,284
Rent & Other	1,419	1,359	1,390	1,428	1,480	1,552
Imputed Rent	2,355	2,429	2,504	2,581	2,661	2,732
M PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACT	617	606	634	658	684	734
N ADMINISTRATIVE AND SUPPORT SERVICE ACT	4,633	4,664	5,088	5,224	5,451	5,604
O PUBLIC ADMINISTRATION AND DEFENCE,	3,370	3,624	3,761	4,125	4,261	4,448
P EDUCATION	1,762	1,867	1,930	2,036	2,321	2,474
Q HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	1,343	1,455	1,504	1,541	1,572	1,721
R ARTS, ENTERTAINMENT, RECREATION	20	21	22	23	23	24
S OTHER SERVICE ACTIVITIES	305	298	340	367	402	415
T ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS	23	24	24	25	26	27
GVA AT BASIC PRICES	61,081	60,487	64,024	65,984	68,711	72,935
TAXES LESS SUBSIDIES ON PRODUCTS	2,552	2,820	2,896	3,487	3,461	3,722
GROSS DOMESTIC PRODUCT (GDP)	63,633	63,308	66,921	69,471	72,172	76,657

TABLE 9. INDUSTRY GROSS VALUE ADDED, CONSTANT PRICE ESTIMATES - PERCENTAGE (%) CHANGE (a)

	2020	2021	2022	2023	2024	2025
A AGRICULTURE, FORESTRY AND FISHING	1.9%	1.1%	3.1%	1.0%	2.1%	6.9%
Crop and animal production	3.1%	4.5%	2.5%	2.3%	1.9%	5.9%
Forestry and logging	-12.6%	-18.4%	21.9%	-13.4%	-3.7%	3.3%
Fishing and aquaculture	0.7%	-19.0%	-0.9%	-4.8%	8.5%	21.5%
B MINING AND QUARRYING	-9.2%	-11.6%	5.1%	1.3%	2.4%	9.2%
Extraction of crude petroleum and natural gas	-0.7%	-7.1%	1.4%	1.2%	-1.3%	7.8%
Other Mining	-23.2%	-21.2%	14.7%	1.5%	10.6%	12.0%
C MANUFACTURING	-6.4%	7.3%	10.4%	-0.9%	6.3%	8.9%
D ELECTRICITY SUPPLY	4.6%	-2.5%	0.5%	1.1%	2.6%	4.0%
E WATER SUPPLY, SEWAGE, WASTE MANAGEMENT	6.3%	6.7%	7.3%	0.0%	4.8%	5.8%
F CONSTRUCTION	-0.2%	7.2%	13.4%	3.7%	8.4%	3.2%
G WHOLESALE AND RETAIL TRADE	-0.1%	5.9%	6.8%	2.8%	2.9%	3.5%
H TRANSPORT AND STORAGE	-20.2%	3.0%	12.2%	5.8%	5.4%	8.0%
I ACCOMMODATION AND FOOD SERVICE ACTIVITY	-8.4%	4.7%	6.2%	3.2%	3.6%	7.4%
J INFORMATION AND COMMUNICATION	6.5%	18.8%	12.6%	15.5%	15.6%	4.8%
K FINANCIAL AND INSURANCE ACTIVITIES	-10.9%	-0.4%	3.5%	4.7%	5.4%	3.0%
Finance	-12.5%	2.2%	4.1%	5.6%	6.7%	2.8%
Insurance	-4.4%	-9.8%	1.1%	1.1%	-0.4%	4.1%
L REAL ESTATE ACTIVITIES	2.6%	0.3%	2.8%	3.0%	3.3%	3.4%
Rent & Other	1.8%	-4.3%	2.3%	2.7%	3.7%	4.9%
Imputed Rent	3.1%	3.1%	3.1%	3.1%	3.1%	2.6%
M PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACT	0.2%	-1.8%	4.6%	3.8%	3.9%	7.4%
N ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	-0.8%	0.7%	9.1%	2.7%	4.3%	2.8%
O PUBLIC ADMINISTRATION AND DEFENCE,	8.9%	7.5%	3.8%	9.7%	3.3%	4.4%
P EDUCATION	1.4%	6.0%	3.4%	5.5%	14.0%	6.6%
Q HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	9.8%	8.3%	3.3%	2.5%	2.0%	9.5%
R ARTS, ENTERTAINMENT, RECREATION	-4.2%	7.2%	5.9%	2.3%	1.7%	5.6%
S OTHER SERVICE ACTIVITIES	-15.6%	-2.3%	13.9%	8.0%	9.5%	3.4%
T ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS	3.1%	3.1%	3.1%	3.1%	3.1%	2.6%
GVA AT BASIC PRICES	-2.9%	-1.0%	5.8%	3.1%	4.1%	6.1%
TAXES LESS SUBSIDIES ON PRODUCTS	-9.9%	10.5%	2.7%	20.4%	-0.7%	7.5%
GROSS DOMESTIC PRODUCT (GDP)	-3.2%	-0.51%	5.71%	3.8%	3.9%	6.2%

(a) Percentage change on preceding year

TABLE 10. GDP IMPLICIT PRICE INDICES BY INDUSTRY

PRICE INDEXES (2013 = 100.0)

		2020	2021	2022	2023	2024	2025
A	AGRICULTURE, FORESTRY AND FISHING	146	163	171	168	178	197
	Crop and animal production	148	165	173	170	180	200
	Forestry and logging	130	141	143	142	154	159
	Fishing and aquaculture	136	148	157	162	165	182
B	MINING AND QUARRYING	106	138	201	170	179	209
	Extraction of crude petroleum and natural gas	90	130	216	169	166	165
	Other Mining	139	159	168	170	205	294
C	MANUFACTURING	148	155	163	167	167	171
D	ELECTRICITY SUPPLY	119	119	121	123	122	127
E	WATER SUPPLY, SEWAGE, WASTE MANAGEMENT	152	154	158	189	186	186
F	CONSTRUCTION	146	153	161	164	167	171
G	WHOLESALE AND RETAIL TRADE	144	151	159	163	166	172
H	TRANSPORT AND STORAGE	143	150	158	162	162	169
I	ACCOMMODATION AND FOOD SERVICE ACTIVITY	134	136	144	152	154	158
J	INFORMATION AND COMMUNICATION	94	94	95	90	82	83
K	FINANCIAL AND INSURANCE ACTIVITIES	143	149	157	165	170	173
	Finance	143	149	157	164	170	173
	Insurance	143	149	157	165	172	175
L	REAL ESTATE ACTIVITIES	144	150	158	163	168	171
	Rent & Other	146	152	160	167	172	175
	Imputed Rent	143	149	157	160	166	168
M	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACT	135	141	149	152	160	164
N	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	144	151	159	162	168	172
O	PUBLIC ADMINISTRATION AND DEFENCE,	130	131	134	138	142	146
P	EDUCATION	129	129	133	137	141	144
Q	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	132	133	137	141	145	149
R	ARTS, ENTERTAINMENT, RECREATION	146	154	162	169	181	185
S	OTHER SERVICE ACTIVITIES	139	146	154	158	168	173
T	ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS	143	149	157	165	170	174
	GVA AT BASIC PRICES	129	145	167	160	165	179

(a) PNGSIC R,S and T

TABLE 11. GDP IMPLICIT PRICE INDICES - PERCENTAGE (%) CHANGE (a) BY INDUSTRY

PRICE INDEXES PERCENTAGE CHANGE

		2020	2021	2022	2023	2024	2025
A	AGRICULTURE, FORESTRY AND FISHING	6.7%	11.2%	5.0%	-1.3%	5.5%	10.7%
	Crop and animal production	7.1%	11.2%	5.2%	-1.9%	5.6%	11.1%
	Forestry and logging	1.5%	7.9%	1.5%	-0.4%	8.3%	3.0%
	Fishing and aquaculture	4.9%	8.8%	6.1%	3.5%	1.5%	10.4%
B	MINING AND QUARRYING	-7.1%	30.9%	45.7%	-15.8%	5.4%	17.0%
	Extraction of crude petroleum and natural gas	-20.2%	44.7%	66.1%	-21.7%	-2.3%	-0.4%
	Other Mining	20.7%	13.9%	5.8%	1.4%	20.6%	43.4%
C	MANUFACTURING	4.8%	4.5%	5.3%	2.3%	0.1%	2.2%
D	ELECTRICITY SUPPLY	0.7%	0.6%	1.2%	2.1%	-1.3%	4.1%
E	WATER SUPPLY, SEWAGE, WASTE MANAGEMENT	4.8%	1.5%	2.1%	19.8%	-1.7%	0.0%
F	CONSTRUCTION	3.9%	4.5%	5.3%	2.3%	1.3%	2.7%
G	WHOLESALE AND RETAIL TRADE	4.7%	4.5%	5.4%	2.3%	2.0%	3.8%
H	TRANSPORT AND STORAGE	3.8%	4.4%	5.6%	2.4%	-0.2%	4.3%
I	ACCOMMODATION AND FOOD SERVICE ACTIVITY	4.2%	2.1%	5.5%	5.7%	1.4%	2.5%
J	FINANCIAL AND INSURANCE ACTIVITIES	-1.1%	-0.3%	1.6%	-5.9%	-8.8%	1.6%
K	FINANCIAL AND INSURANCE ACTIVITIES	4.8%	4.5%	5.3%	4.9%	3.4%	1.8%
	Finance	4.8%	4.5%	5.3%	4.8%	3.2%	1.8%
	Insurance	4.8%	4.5%	5.3%	5.3%	4.1%	1.8%
L	REAL ESTATE ACTIVITIES	4.8%	4.3%	5.3%	3.0%	3.2%	1.6%
	Rent & Other	4.8%	4.2%	5.3%	4.2%	3.1%	1.7%
	Imputed Rent	4.8%	4.4%	5.3%	2.3%	3.2%	1.4%
M	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACT	4.8%	4.4%	5.3%	2.3%	5.3%	2.5%
N	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	4.8%	4.4%	5.3%	2.3%	3.7%	2.0%
O	PUBLIC ADMINISTRATION AND DEFENCE,	2.6%	0.2%	2.9%	2.8%	2.8%	2.8%
P	EDUCATION	2.6%	0.2%	2.9%	2.8%	2.7%	2.8%
Q	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	2.6%	0.8%	3.3%	2.9%	2.8%	2.8%
R	ARTS, ENTERTAINMENT, RECREATION	4.3%	4.9%	5.5%	4.2%	7.1%	2.4%
S	OTHER SERVICE ACTIVITIES	4.9%	4.8%	5.2%	2.8%	6.1%	2.9%
T	ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS	4.8%	4.4%	5.3%	5.3%	3.2%	1.8%
	GVA AT BASIC PRICES	1.6%	11.9%	15.5%	-4.5%	3.3%	8.4%

Explanatory notes

Introduction

This publication contains National Accounts estimates for the five (5) years from 2019 to 2024. Estimates are provided for Gross Domestic Product (GDP) by industry and institutional sector. For definitions and descriptions of items in the national accounts, see Glossary.

CONCEPTS, SOURCES AND METHODS

PNG national accounts statistics are compiled in accordance with international standards contained in the System of National Accounts of 2008 (SNA08). National estimates are based on the concepts and conventions embodied in the SNA.

GROSS DOMESTIC PRODUCT (GDP)

GDP can be derived by three broad approaches: the income approach (I), the expenditure approach (E) and the production approach (P). A description of each approach is provided in the following paragraphs. While each approach should conceptually deliver the same GDP estimate, the results may differ with some possible differences when compiled independently using different data sources. The estimates presented in this publication have largely been derived by the production approach. The GDP derivation can incorporate the income and expenditure approaches as additional data sources on households and businesses becomes available.

Income approach (I)

GDP using the income approach is derived as the sum of compensation of employees, gross operating surplus, gross mixed income, and taxes less subsidies on production and imports.

Expenditure approach (E)

GDP using the expenditure approach is derived as the sum of all final expenditures, changes in inventories and exports of goods and services less imports of goods and services.

Production approach (P)

GDP using the production approach is derived as the sum of gross value added for each industry, at basic prices, plus taxes less subsidies on products. Basic values represent the amounts received by producers, including the value of any subsidies on products, but before any taxes on products.

FINANCIAL INTERMEDIATION SERVICES

In the national accounts, estimates are made for the output of banks and similar institutions that produce services through the provision of deposit and loan services. Often, there is no single explicit charge for these services, and instead, the relevant financial institutions set interest rates such that a service margin can be earned. Thus, interest rates on loans are higher than would otherwise be the case if there were no service element provided and interest rates on deposits are lower than would otherwise be the case.

FOREIGN AID (COMPENSATION OF EMPLOYEES)

The output of foreign aid workers working within PNG domestic aid programs falls within the scope of PNG's Gross Domestic Product. The activity of foreign aid workers is classified within the PNG Standard Industry Classification as 'Activities of extra-territorial organisations and bodies. This foreign aid output has been estimated for 2019 through to 2024 and is included within the 'Public administration and defence' Industry (Industry O).

FORMAL AND INFORMAL ECONOMIC ACTIVITY

Formal activity (usually production) of businesses, employees or households is often regulated by government laws. These activities are observable to NSO, either through administrative data or survey collection activity. Given some data gaps on the size of the economically active businesses population in Papua New Guinea, the formal business sector is effectively defined by businesses remitting with respect to Goods and Services Tax (GST). The business is non-dormant and is generating economic output, evidenced by GST debits or GST credits remitted to the Internal Revenue Commission (IRC). In contrast, the economic activity of businesses either not remit GST (above or below the GST threshold) constitutes informal economic activity. The production of goods, particularly agricultural products consumed by the household, constitutes informal economic activity. The production of goods and services that are sold in local markets is also defined as informal economic activity.

INDUSTRY CLASSIFICATION

The industry statistics in this publication are based on the Papua New Guinea Standard Industrial Classification (PNGSIC), 2014. The classification has been derived from the United Nations (UN) International Standard Industrial Classification (ISIC) Revision 4 of all economic activities modified in order to better reflect the forms of economic activity which exist in PNG. The PNGSIC 2014 replaces PNGSIC 2000 which was developed using ISIC Rev. 3 which was used in the last published national accounts in respect of 2006. The structure of PNGSIC 2014 is more detailed than PNGSIC 2000 and identifies new industries separately. This is especially so in respect of services, where a new section entitled “Information and communication” has been introduced to better reflect current economic phenomena.

INSTITUTIONAL SECTOR

Data has been collected and compiled for the following main institutional units, in preparing the production measure of GDP estimates:

- Non-Financial Corporations
- Financial Corporations
- General Government
- Households

NATIONAL ACCOUNTS

A set of seven accounts defined within the System of National Accounts that measures the economic activity, corresponding financial flows, and stock changes within a country during a specified period. One of these accounts is the production account, which measures the level of economic activity within a country during a specified period (usually one year).

OUTPUT OF NON-FINANCIAL CORPORATIONS

Business Statistics Register information was not available to estimate the level of economic activity during the compilation of these GDP estimates. Therefore, taxation data, complemented with business survey data (the Survey of Economic Activities (SEA) and the quarterly Business Liaison Survey (BLS)), have been used to define the contribution of formal economic activity for the non-financial corporations' sector. Output for the Non-Financial Corporations Sector has been estimated using GST sales data collected from the Internal Revenue Commission (IRC). The IRC provided non-identifiable GST records to the NSO exclusively for statistical purposes. GST sales data includes sales subject to 10% GST, GST-exempt sales and sales subject to GST, but charged at a zero rate. Imputation has been undertaken for missing or partially incomplete GST records.

OUTPUT OF FINANCIAL CORPORATIONS – LENDING INSTITUTIONS

The output of banks is measured indirectly by calculating their income. Banks obtain income from two principal sources. Firstly, through direct charges made in respect of specified services such as credit card and account keeping fees, and secondly, through financial intermediation whereby they accept deposits from customers with surplus funds and make loans to customers requiring finance. The interest rate paid on deposits is generally lower than the rate charged on loans, and the differential between the two rates constitutes an implicit service charge. The 2008 SNA terms this charge FISIM, or financial intermediation charge indirectly measured. The sum of FISIM and direct charges is deemed to constitute the value of the bank's output. The output of the PNG Financial sector was estimated using bank deposit and lending data (deposit and loan volumes) obtained from the Bank of Papua New Guinea (BPNG), along with their corresponding borrowing and lending interest rates. Information on direct banking charges was also sourced from the Bank of PNG.

OUTPUT OF FINANCIAL CORPORATIONS – INSURANCE COMPANIES

As with the commercial banks, the output of insurance companies is estimated indirectly. The 2008 SNA defines the output of general insurance services as premiums plus premium supplements less expected claims. Premium supplements constitute earnings on the insurance companies' technical reserves. The other component of output is expected claims. The output of life insurance and superannuation funds is defined as the change in available funds after deducting payments (claims) from premiums and earnings. The output of PNG's Insurance sector was estimated using insurance premiums and claims data supplied by the Bank of PNG and data collected directly via the Business Liaison Survey. GST sales (Insurance premiums) were also used in the output compilation.

OUTPUT OF GENERAL GOVERNMENT

The PNG Treasury budget is the principal source of information for output of the general government sector. General government includes the national, provincial, and local government levels. The national government is the principal source of funds for provincial governments, and transfers to other levels of government are contained in the budget papers. Government services are provided on a non-market basis and are conventionally valued at cost. The value of output is therefore calculated as compensation of employees plus intermediate consumption. Data for these components of government expenditure are sourced directly from the PNG Budget papers.

OUTPUT OF HOUSEHOLDS

A large proportion of economic activity is undertaken in the household sector. This includes most agricultural production and a significant proportion of retail activity, transport, and housing services. Household production includes production for own consumption and production for sale through informal outlets such as local markets and street vendors. Informal outlets are those falling outside the regulatory/tax system and do not attract GST. The principal source of informal production data is the Household Income and Expenditure Survey (HIES) of 2009. Household production was estimated for the 2009 reference year and extrapolated using Consumer Price Indexes and National Statistics Office population estimates.

Information from the 2009 HIES was used to estimate the informal economic contribution of the following informal activities:

- betelnut production and distribution
- payday lending activity
- retailing by street vendors
- the provision of local transport
- household manufacturing activity
- construction of low-cost housing

GROSS VALUE ADDED (GVA)

GVA is calculated by subtracting intermediate consumption from the estimate of output. HIES data contained estimates of the costs associated with household production. These estimates were used to produce an estimate of intermediate consumption for 2009-10. Household intermediate consumption estimates for 2009-10 were extrapolated across the 2019 to 2024 time series using Consumer Price Indexes (CPI) and population estimates produced by the National Statistical Office.

Abbreviations

ABS	Australian Bureau of Statistics
BLS	Business Liaison Survey
BPNG	Bank of Papua New Guinea
COICOP	Classification of Individual Consumption According to Purpose
CPI	Consumer Price Index
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HIES	Household Income and Expenditure Survey
IMF	International Monetary Fund
IRC	Internal Revenue Commission
ISIC	International Standard Industry Classification
NSO	National Statistics Office
OECD	Organisation for Economic Co-operation and Development
PNGSIC	Papua New Guinea Standard Industrial Classification
SBA	Survey of Business Activity
SNA	System of National Accounts
SNA08	System of National Accounts 2008 version

Glossary

Administrative Data

Data collected by government agencies in the process of carrying out regulatory functions such as registering businesses or the population; collecting taxes; running health care or education systems; and undertaking law, order, or justice activities.

Annual Income Tax Returns

Annual taxation data collected on business profits by the Internal Revenue Commission (IRC). The data includes components of business income, wages & salaries, and details on business expenditure.

Basic Price

The amount receivable by the producer from the purchaser for a unit of a good or service produced as output, minus any tax payable plus any subsidy receivable, on that unit because of its production or sale; it excludes any transport charges invoiced separately by the producer.

Bank of Papua New Guinea (BPNG)

The Bank of Papua New Guinea (BPNG) is the central bank for the government of Papua New Guinea. The BPNG has prudential responsibility for the PNG banking system and conducts monetary policy on behalf of the central Government. The BPNG undertakes survey activity such as the Business Liaison Survey as part of its operations.

Business Liaison Survey (BLS)

The Business Liaison Survey is a quarterly economic survey run in cooperation with the Bank of Papua New Guinea. The BLS collects business income, expenses including wages and capital expenditure.

Capital Transfers

Transactions in which the ownership of an asset (other than cash and inventories) is transferred from one institutional unit to another, in which cash is transferred to enable the recipient to acquire another asset or in which the funds realised by the disposal of another asset are transferred. Examples include general government capital transfers to private schools for the construction of science blocks or libraries and transfers to charitable organisations for the construction of homes for the aged.

Collective Consumption

Services provided simultaneously to all members of the community or to all members of a particular section of the community, such as all households living in a particular region. Collective services are automatically acquired and consumed by all members of the community, or group of households in question, without any action on their part. Typical examples are public administration and the provision of security, either at a national or local level. Collective services are the 'public goods' of economic theory. By their nature, collective services cannot be sold to individuals on the market, and they are financed by government units out of taxation or other incomes. The defining characteristics of collective services are as follows: collective services can be delivered simultaneously to every member of the community or of particular sections of the community, such as those in a particular region; the use of such services is usually passive and does not require the explicit agreement or active participation of all the individuals concerned; and the provision of a collective service to one individual does not reduce the amount available to others in the same community or section of the community, i.e. there is no rivalry in acquisition. See also Individual consumption.

Compensation of Employees

The total remuneration, in cash or in kind, payable by an enterprise to an employee in return for work done by the employee during the accounting period. It is further classified into two sub-components: wages and salaries; and employers' social contributions.

Compensation of employees is not payable in respect of unpaid work undertaken voluntarily, including the work done by members of a household within an unincorporated enterprise owned by the same household. Compensation of employees excludes any taxes payable by the employer on the wage and salary bill (e.g. payroll tax).

Consumption of Fixed Capital

The reduction in the value of fixed assets used in production during the accounting period resulting from physical deterioration, normal obsolescence, or normal accidental damage. Unforeseen obsolescence, major catastrophes and the depletion of natural resources are not considered.

Current Prices

Estimates are valued at the prices of the period to which the observation relates. For example, estimates for 2020 are valued using 2020 prices.

Current Transfers

Transfers, other than those classified as capital transfers, in which one institutional unit provides a good, service or cash to another unit without receiving from the latter anything of economic value in return.

Current transfers to Non-Profit Institutions

Transfers for non-capital purposes to private non-profit institutions serving households such as hospitals, independent schools, and religious and charitable organisations.

Constant Prices

Estimates are expressed in the price of a base year (for this publication the base year is 2014). It removes the impact of price changes in the time series (2014 to 2020) and shows the volume change in GDP.

Economically Significant Prices

Prices which have a significant influence on both the amounts producers are willing to supply and the amounts purchasers wish to buy.

Employers' Social Contributions

Payments by employers which are intended to secure for their employees the entitlement to social benefits should certain events occur, or certain circumstances exist, that may adversely affect their employees' income or welfare – namely work-related accidents and retirement.

Exports of Goods and Services

The value of goods exported and amounts receivable from non-residents for the provision of services by residents.

Financial Corporations (Institutional Units)

Financial corporations consist of all resident corporations that are principally engaged in providing financial services, including banks, insurance and pension funding services, to other institutional units. The provision of financial services is regulated by the Bank of Papua New Guinea.

Fixed Assets

Are defined as produced assets that are used repeatedly, or continuously, in processes of production for more than one year. Fixed assets not only include structures, machinery and equipment and intellectual property products but also cultivated assets such as trees and animals that are used repeatedly or continuously to produce other products such as fruit and dairy products.

Formal (Economic Activity) Sector

Activities (usually production) of businesses, employees or households that are regulated by government laws. These activities are observable to National Statistical Offices, either through administrative data or survey collection activity.

General Government (Institutional Units)

The general government sector consists of institutional units that, in addition to fulfilling their political responsibilities and their role of economic regulation, produce services (and possibly goods) for individual or collective consumption mainly on a non-market basis and redistribute income and wealth (2008 SNA 2.17). In PNG the general government sector includes national, provincial and local government.

Goods and Services Tax

Papua New Guinea introduced a general Goods and Services Tax (GST) of 10% in 2004. The Goods and Services Tax Act specifies activities that are subject to GST, which is paid to the Internal Revenue Commission (IRC) on the sales of goods and services subject to the tax. The Act also specifies activities that are exempt, such as financial services, Public Motor Vehicle (PVM) and Taxi fares. Activities such as exported goods, aid projects and certain export services are also subject to GST but at a zero rate.

Gross Domestic Product (GDP)

Is the total market value of goods and services produced in Papua New Guinea within a given period after deducting the cost of goods and services used up in the process of production but before deducting allowances for the consumption of fixed capital. Thus gross domestic product, as here defined, is 'at market prices'. It is equivalent to gross national expenditure plus exports of goods and services less imports of goods and services. Farm product is that part of gross domestic product which arises from production in agriculture and services to agriculture. It is equivalent to the value added of PNGSIC 2024 National Accounts Publication.

Agriculture sector plus taxes less subsidies on products primary to this subdivision. Non-farm product arises from production in all other industries.

GDP Per Capita

The ratio of the chain volume estimate of GDP to an estimate of the resident Papua New Guinean population Gross Value Added. The value of output at basic prices minus the value of intermediate consumption at purchasers' prices. The term is used to describe gross product by industry and by sector. Basic prices valuation of output removes the distortion caused by variations in the incidence of commodity taxes and subsidies across the output of individual industries.

Households (Institutional Units)

Households are primarily consumer units, however, they also engage in production. This production activity is often relatively small scale and includes informal and subsistence activities. When the production units of households are not legal entities they are described as unincorporated enterprises.

They remain part of the same institutional unit as the household to which they belong (2008 SNA 4.21). Conceptually the contribution of the household sector to GDP is estimated in the same way as for other sectors, by deducting intermediate consumption from the value of output.

Household Production

In PNG, a large proportion of economic activity is undertaken in the household sector. This includes most agricultural production and a significant proportion of retail activity. That production includes production for own consumption and production for sale through informal outlets such as local markets and street vendors.

Household Income and Expenditure Survey (HIES)

The Household Income and Expenditure Survey (HIES), is a survey that collects information on the income, expenditure and production of households. In addition, it collects information on household wealth and health outcomes. The recent HIES was conducted between July 2009 and January 2011.

Implicit Price Deflator (IPD)

The IPD is obtained by dividing a current price value by its real counterpart (constant price value). When calculated from the major national accounting aggregates, such as gross domestic product, implicit price deflators relate to a broader range of goods and services in the economy rather than those represented by any other published price indexes. Movements in an IPD reflect both changes in price and changes in composition of the aggregate for which the deflator is calculated.

Imports of Goods and Services

The value of goods imported and amounts payable to non-residents for the provision of services to residents.

Informal Sector

The SNA 2008 recognises the importance of measuring part of the economy that reflects the efforts of people without formal jobs engaging in some form of monetary economic activity (2008 SNA 25.3). This part of the economy is known as the informal sector and its measurement is important for assessing how the benefits of economic development extent to a country's entire population (compare with Formal sector).

Institutional Unit

An institutional unit is an economic entity that is capable, in its own right, of owning assets, incurring liabilities, engaging in economic activities and engaging in transactions with other entities (2008 SNA 4.2). In preparing the production measure of GDP estimates for 2017 to 2023, data has been collected and compiled for the following institutional units:

- Non-Financial Corporations
- Financial Corporations
- General Government
- Households

Intermediate Consumption

Consists of the value of the goods and services used as inputs by a process of production, excluding compensation of employees and the consumption of fixed capital.

Market Output

Output that is sold at prices that are economically significant or otherwise disposed of on the market, or intended for sale or disposal on the market.

Non-Financial Corporations (Institutional Units)

Non-financial corporations are corporations whose principal activity is the production of market goods or non-financial services (2008 SNA 4.94). As such, they are a major driver of economic activity and growth.

Non-Market Output

Goods and services produced by any institutional unit that are supplied free or at prices that are not economically significant.

Other Subsidies on Production

Consist of all subsidies, except subsidies on products, which resident enterprises may receive as a consequence of engaging in production. Other subsidies on production include: subsidies related to the payroll or workforce numbers, including subsidies payable on the total wage or salary bill, on numbers employed, or on the employment of particular types of persons, e.g. persons with disabilities or persons who have been unemployed for a long period. The subsidies may also be intended to cover some or all of the costs of training schemes organised or financed by enterprises. Subsidies aimed at reducing pollution are also included.

Other Taxes on Production

Consist of all taxes that enterprises incur as a result of engaging in production, except taxes on products. Other taxes on production include: taxes related to the payroll or workforce numbers excluding compulsory social security contributions paid by employers and any taxes paid by the employees themselves out of their wages or salaries; recurrent taxes on land, buildings or other structures; some business and professional licenses where no service is provided by the Government in return; taxes on the use of fixed assets or other activities; stamp duties; taxes on pollution; and taxes on international transactions.

Output

This consists of those goods and services that are produced within an establishment that become available for use outside that establishment, plus any goods and services produced for own final use.

The Papua New Guinea Standard Industry Classification (PNGSIC) has been derived from the United Nations (UN) International Standard Industrial Classification (ISIC) Revision 4 of all economic activities, modified in order to better reflect the forms of economic activity which exist in PNG. The PNGSIC 2014 replaces PNGSIC 2000, which was developed using ISIC Rev. 3, which was used in the last published National accounts in respect of 2006. The structure of PNGSIC 2014 is more detailed than PNGSIC 2000 and identifies new industries separately. This is especially so in respect of services, where a new section entitled "Information and communication" has been introduced to better reflect current economic phenomena. The introduction of the revised classification means that the estimates in respect of some kinds of activity, particularly services, are not directly comparable with earlier published estimates. An institutional unit is an economic entity that is capable, in its own right, of owning assets, incurring liabilities, engaging in economic activities and engaging in transactions with other entities.

Purchasers' Price

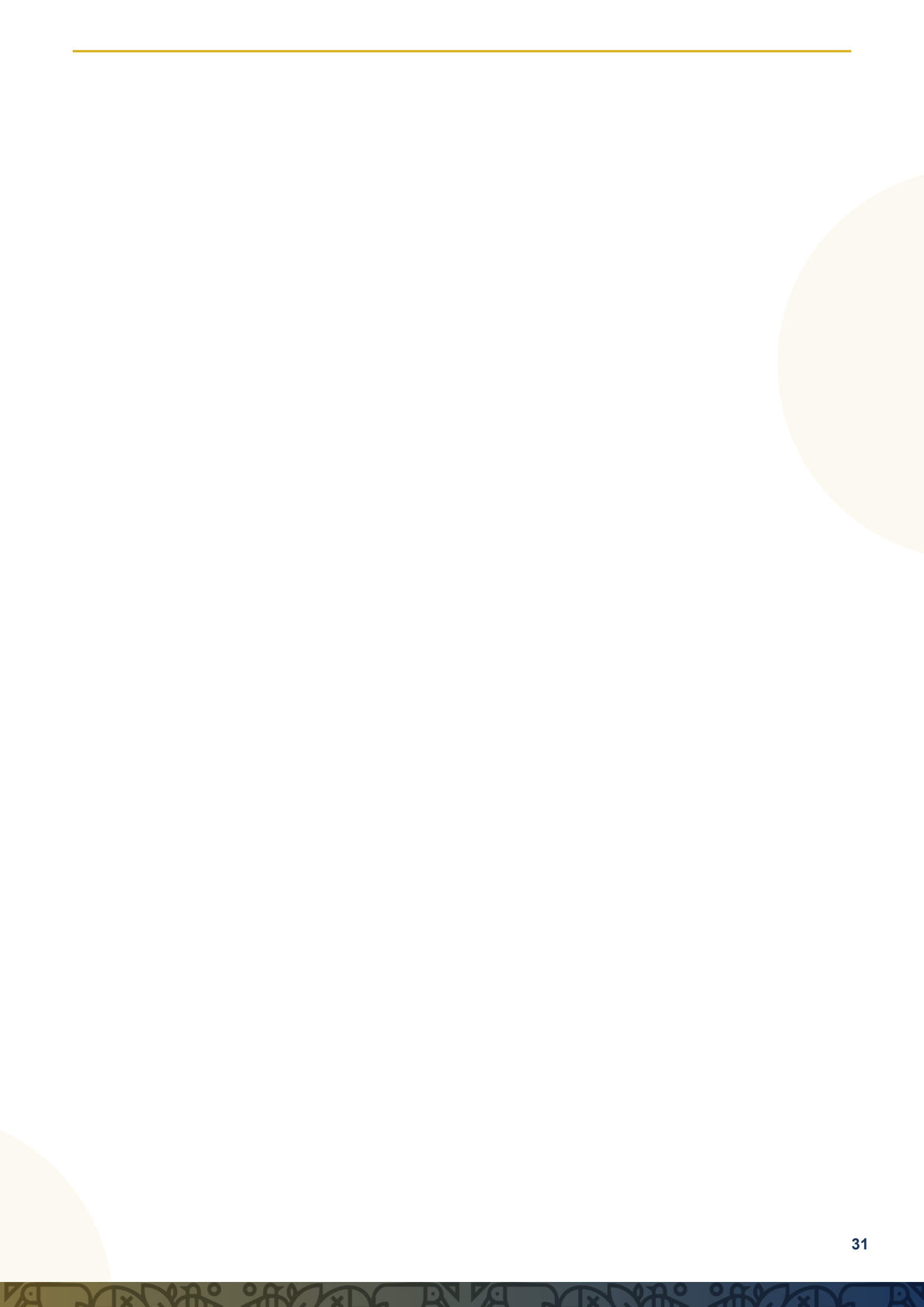
The amount paid by the purchaser, excluding any deductible tax, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place.

Survey of Economic Activities

The Survey of Economic Activity (SEA) is an annual economic survey that collects business income, expenses, including wages, capital expenditure information on inventories.

Wages and Salaries

Consists of amounts payable in cash, including the value of any social contributions, income taxes, fringe benefits tax, etc., payable by the employee even if they are actually withheld by the employer for administrative convenience or other reasons and paid directly to social insurance schemes, tax authorities, etc., on behalf of the employee. Wages and salaries may be paid as remuneration in kind instead of, or in addition to, remuneration in cash. Separation, termination and redundancy payments are also included in wages and salaries. Wages and salaries are also measured as far as possible on an accrual rather than a strict cash basis.





Gross Domestic Product 2025
Papua New Guinea



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