

## **Solomon Islands: Tax Summary and Statistical Appendix**

This Tax Summary and Statistical Appendix paper for the Solomon Islands was prepared by a staff team of the International Monetary Fund as background documentation for the periodic consultation with the member country. It is based on the information available at the time it was completed on September 10, 2008. The views expressed in this document are those of the staff team and do not necessarily reflect the views of the government of the Solomon Islands or the Executive Board of the IMF.

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SOLOMON ISLANDS

**Tax Summary and Statistical Appendix**

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Approved by Asia and Pacific Department

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## TAX SUMMARY<sup>1</sup>

### I. DIRECT TAXES

#### Taxation of Individuals

*Nature of Tax:* Residents are taxed on their worldwide income. Nonresidents are taxed on income sourced from the Solomon Islands. The tax year is the calendar year.

Chargeable Income is income according to ordinary concepts and includes income from business, employment, lease and rent, dividends, interest, discounts, pensions, charges, annuities, and alimony received. Income from employment includes wages, salaries, other cash allowances, benefits-in-kind, and any private expenditure either paid for or reimbursed by an employer. Certain costs borne by an employer are excluded from employment income, such as employee home passage, medical services, and contributions paid to an approved pension fund. Many types of income are subject to presumptive or final taxes. These, with few specific exceptions, include income from employment, dividends, and interest. As such with effect from January 1, 2006, most employees or those individuals not in business are not required to lodge income tax returns.

<b>Resident Individuals</b>	<b>Rates (in percent)</b>
Up to \$15,000	11
\$15,001–\$30,000	23
\$30,001–\$60,000	35
\$60,001 and up	40

*Exemptions and deductions:* Normal business expenses are deductible against chargeable income. A \$7,800 personal exemption applies to both resident and nonresident individuals. This general exemption is subject to apportionment on a pro-rata basis should the individual commence work part way through the year. In addition, the first \$5,000 of interest income on deposits made with any savings bank or on fixed deposit accounts with any bank in the Solomon Islands are excluded from chargeable income. Alimony payments are also deductible against chargeable income. Residents are able to claim foreign tax credits for any overseas income tax.

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<sup>1</sup> As of June 2008.

## **Taxation of Companies**

*Nature of tax:* Tax is payable on the worldwide income of a resident company, whereas a nonresident company is taxed on income accrued in or derived from the Solomon Islands. The tax year is the calendar year, although any person may apply for a substituted accounting period.

Companies incorporated in the Solomon Islands are residents. Resident companies are taxed at a flat rate of 30 percent, with nonresident companies being subject to a 35 percent tax rate. To prevent the double taxation of corporate profits, a deduction is allowed for any dividend paid where dividend withholding tax has been correctly deducted and remitted. The rate of dividend withholding tax for a resident company or individual shareholder is 20 percent with 30 percent applying to a nonresident or a resident body of persons other than a corporation. The withholding tax deducted is final for a nonresident, a resident body of persons other than a company, and a resident individual where the total amount of dividends, directors fees, and interest income for the year is less than \$10,000.00.

A provisional payment system for income tax applies to companies and businesses. Quarterly payments of taxes are made in the current year, based on the assessed income of the previous year. Such payments are credited against the tax for the year when the annual assessment is made. For those taxpayers in a loss situation, a turnover tax of 0.5 percent of gross income applies. The maximum of income tax payable for these taxpayers is \$20,000.00.

*Exemptions and deductions:* Both resident and nonresident investors undertaking commercial, economic, industrial or professional activity in the Solomon Islands may apply to the Commissioner of Inland Revenue for an exemption from income tax. Depending upon the type of enterprise, the tax holiday may be for periods ranging from three to ten years. Strict criteria apply, with the benefits and costs to the national interest of the country being the chief consideration. Where the original investor proposes additional investment to the value of \$10,000,000.00 or more, and has satisfied the conditions stipulated in relation to the original investment, the Commissioner may grant a further tax holiday of up to five years. Rural community developments with investment of \$5,000,000 or more may also qualify for tax holiday. The Commissioner may also grant full or partial exemptions from income tax for certain activities:

- Tourist hotels, resorts and other tourist oriented projects (5 years);
- Export projects (3 to 6 years);
- Agricultural, forestry, animal husbandry and fisheries activities (profits for 5 of 10 years);
- Factory construction (40 percent depreciation in year one, then 5 percent per year thereafter);

- 200 percent deduction for costs of higher education courses (local and overseas) and apprentices at the Solomon Islands College of Higher Education; and
- 150 percent deduction for inter-provincial transport costs of raw material and qualifying products.

The Minister of Finance also has the discretion to exempt any income or class of income by way of Order.

Statutory exemption from income tax applies to a range of government, quasi government, nonprofit, religious and sporting bodies.

Losses are able to be carried forward for five years and be set off against future profits if majority shareholding remains unchanged. Bond issues are exempt until the amount capitalized is distributed. Business license fees paid to provinces may be claimed as a deduction or treated as prepayments of income tax. Accelerated depreciation is provided for capital expenditure in timber and mining operations, while certain expenditures on agricultural development, including for coconuts, palm oil, and cocoa, can be written off in full in the year they are incurred.

### **Social Security Contributions**

*Nature of tax:* Compulsory social security scheme for all public and private employees. A total of 7.5 percent of earnings is paid by the employer, and 5 percent by the employee.

### **Capital Gains Tax**

None, except for business assets.

### **Withholding Taxes**

Certain payments made to both resident and nonresident taxpayers are subject to withholding taxes. The list below specifies the nature of the payment subject to withholding tax. The payer is required to withhold the specified percentage of gross payment and forward such to the Commissioner on behalf of the payee. Depending on the circumstances of the taxpayer, the withholding tax may be deemed final or interim.

	<b>Rates (in percent)</b>
Companies incorporated in the Solomon Islands	30
Other companies	35
Residents:	
Income from contracting	7.5
Royalties	10
Fishing operations	10
Lease of property	10
Sale of marine products	10
Stevedoring services	15
Nonresidents:	
Interest	15
Professional Services	20
Royalties	15
Income from contracting	7.5
Income from ships and aircraft	5
Insurance premiums	15
Film rental	5
Remuneration to pole and line or long-line fishermen	10
Remuneration to Purse Seiner fishermen	15
Lease income	15
Interest paid overseas by a mining company	As provided by the Minister
Management services	35

<b>Dividend Taxes</b>	<b>Rates (in percent)</b>
Residents	20
Nonresidents	30

## II. INDIRECT TAXES

### Excise Duties

*Nature of tax:* An excise duty is levied on plugs, twist, fig, stick, cake, and coarse cut tobacco, and on beer and cigarettes produced in Solomon Islands. Imported excisable goods pay import duties at the following specific rates:

	<b>Rates</b>
Beer	\$4.80 per liter
Tobacco	\$48.00 per kg.
Cigarettes	\$0.185 per stick or \$277.00 per kg for cigarettes containing tobacco with a tar content more than 16 milligrams per cigarette.



## Goods Tax

*Nature of tax:* Imposed and levied on the final wholesale price of goods that are produced domestically or imported, whether new or used. Manufacturers and wholesale merchants are required to register with the Inland Revenue and are obliged to calculate the tax payable, charge and collect the tax from customers, and pay the tax to the Inland Revenue Division each month. Nonregistered importers, or those that choose not to quote their registration on import documentation, pay Goods Tax before goods are cleared by Customs. The value for Goods Tax in these cases is 130 per cent of the sum of the Cost-in-Freight Customs value and the Customs duty.

	<b>Rates</b>
Imported goods	15
Locally manufactured goods	10

*Exemptions and deductions:* Exemption from Goods Tax applies to the following goods:

- Drugs and medicine, and surgical tools;
- Educational, scientific and religious goods, works of art and antiques;
- Goods for use by governments, representatives of governments, and public bodies;
- Goods manufactured and sold by small businesses;
- Containers;
- Rice; and
- Miscellaneous: contraceptives, goods designed for use by disabled people, goods purchased for export, coffins, bird food, aquatic and marine food, coins, goods used as aids to manufacture, safety equipment, aircraft, buses, flags, awards, fire equipment.

The Minister of Finance has by way of Order discretion to exempt specific goods from goods tax. Official guidelines have been released setting out the criteria for exemption applications. The guidelines approved by the Minister of Finance in June 2006 state that exemptions will be assessed on the benefits and costs to the national interest and requires that details of all exemptions granted be Gazetted. Both the Inland Revenue Division and Customs Division have established Exemption Committees to consider applications and provide advice to the Minister.

## Import Taxes

*Nature of tax:* Levied at an *ad valorem* rate on the c.i.f. value of imports, although specific rates apply on alcoholic beverages, tobacco products, and fuel.

	<b>Rates (in percent, unless otherwise noted)</b>
Foodstuff	0–10
Minerals, fuels	0–10, plus specific rates
Chemicals	5–10
Machinery and transport equipment	5–10
Domestic products	0–10
Beer	\$10 per liter
Cigarettes	\$0.42 per stick
Tobacco and cigars	\$500.00 per kg

*Exemptions and deductions:* Based on the national interest exemption from import duties may be considered for imports of capital inputs for: (i) new businesses commencing in the Solomon Islands; (ii) modernization or expansion of existing business activities; and (iii) rural community development. The following imports are also exempt:

- Goods for all levels of government but excluding certain consumable goods;
- Goods imported under diplomatic and similar privileges, or under memoranda of understanding or agreements with foreign governments and international organizations or between the Solomon Islands Government and private companies;
- Aircraft parts and equipment, aircraft fuel, and lubricants for use in foreign aircraft;
- Containers, coverings, packages, etc;
- Cultural and educational articles; health goods for relief work and charity; fire fighting equipment; goods for volunteer organizations; marine and port equipment; fuel and life-saving equipment; religious goods; scientific and meteorological equipment; goods for telecommunications systems;
- Commercial fishing gear and equipment;
- Most capital goods and agricultural equipment;
- Raw materials and industrial imports to manufacturing;
- Goods imported for Rural Community Development Projects that are fully funded from Rural Community Development funds;
- Goods for tourism or imported under investment incentives;
- Goods imported by armed forces, demolition explosives and machinery, clothes and accessories required for civil servants;
- Medals and decorations; uniforms and insignias of youth organizations; advertising samples; portraits, films, recordings for personal use.

Partial exemptions (where the duty rate is reduced to 2 per cent) applies to goods for direct use in agriculture, horticulture, fishery, forestry and mining, and to certain inputs to particular processing operations. In addition to the above, applications for *ad hoc* exemptions from import or export duty are considered by a committee that makes recommendations to the Minister for Finance for decision.

## Sales Tax

*Nature of tax:* A sales tax is levied at the retail level for specified services.

	<b>Rates (in percent, unless otherwise noted)</b>
Local and overseas telecommunications	10
Restaurant services	10
Tickets for overseas travel	\$10
Tickets for domestic air travel	\$10
Tickets for domestic sea travel	10
Hire of video	\$2 per tape
Movie tickets	\$0.50 per ticket
Accounting, legal, and security services	10
Motor vehicle rental	10
Real estate agency services	10
Professional services	10
Petroleum and diesel	\$0.1 per liter
Video equipment hires	10
Computer equipment hires	10
Hire of vessel and aircraft	10
Hire of plant machinery and equipment	10
Electronic repairs and equipment	10
Hairdresser and barber shops including beauty parlors	10
Casinos	\$5 per entrance
Laundry services	10
Tire services	10

## Export Taxes

*Nature of tax:* Levied only on various land and marine fauna shells, gold, metal scrap, logs and lumber, fish, and various agricultural products. The valuation base is the f.o.b. price or value of the export, except in the case of timber and some fish where the value for duty is a “determined value” adjustable from time to time.

*Exemptions and deductions:* Spices, coconut, palm oil, canned fish, rice, some shells, copra, biscuits, beer, manufactured tobacco. Exemptions for export taxes on logs are granted on a case-by-case basis. Recently, the Minister of Finance announced the revocation of some logging duty exemptions.

	<b>Rates (in percent, unless otherwise noted)</b>
Trochus, green snail and black lip shells	30
Gold	5
Metal scrap—nonferrous	\$1.5/metric ton
Metal scrap	15
Timber logs:	
If valued up to \$500/m <sup>3</sup>	25 percent (of the determined value)
...If valued between \$550–850/m <sup>3</sup>	\$137.50 plus 40 percent of difference
If valued more than \$850/m <sup>3</sup>	\$257.50 plus 60 percent of difference
Fresh, chilled, or frozen fish (some)	5
Dried, salted, smoked or cooked fish	20
Various other agricultural, forest, marine products	

### III. OTHER TAXES AND CHARGES

#### Business Licenses

*Nature of tax:* Annual levy payable by retail traders at various rates.

#### Other Licenses

*Nature of tax:* Licenses on motor vehicles, driving permits, fishing vessels, work permits, and firearms.

Motor vehicles	Specific rates according to engine displacement and weight varying from \$150 to \$2,500
Driving license	\$75
Dealer license	\$10,000
Work permits application	\$200, and upon approval \$500 for two years

#### Stamp Duties

*Nature of tax:* Levied on agreements, insurance policies, bills of sales and exchange, promissory notes, and various property and title transfers. Some are *ad valorem*, some specific. The duty varies from \$50 on any instrument, and between 2.0–4.0 percent depending on the value of property.

*Exemptions and deductions:* Bills of exchange by any bank for government purposes.

**Table 1. Solomon Islands: Summary of Real Sector Indicators, 2001–07**

	2001	2002	2003	2004	2005	2006	Est. 2007
Real GDP 1/ Percentage growth	-8.0	-2.8	6.5	8.0	5.0	6.1	10.3
	(Contribution to growth; in percent)						
Primary	-1.2	0.9	4.9	3.7	0.6	2.2	2.2
Agriculture	-0.5	0.3	1.1	0.1	0.5	0.1	0.9
Forestry	0.1	0.0	2.1	2.9	0.9	0.6	2.4
Fishing	-0.8	0.6	1.7	0.7	-0.7	1.5	-1.1
Secondary 2/ Tertiary 3/ Nonmonetary sector	-0.7	-0.1	-0.3	0.2	0.5	0.4	0.6
Indirect taxes and subsidies	-2.2	-2.5	-1.5	1.5	1.2	2.1	3.1
	0.7	0.8	0.8	1.0	0.8	0.9	1.1
	-4.6	-1.8	2.7	1.7	1.8	0.6	3.3
	(In 1,000 metric tons, unless otherwise specified)						
Production of major commodities							
Logging (1,000 cubic meters)	534.0	550.0	736.0	1,043	1,118	1,130	1,446
Fish	17.7	18.5	28.0	27.2	23.8	29.6	21.1
Copra	1.7	1.7	14.8	21.8	26.2	21.2	27.9
Cocoa	2.0	2.9	4.6	4.2	4.9	3.8	4.5
Palm oil	...	...	...	...	...	5.4	17.2
	(Annual percentage change)						
Consumer prices (average)	7.6	9.3	10.0	6.9	7.4	11.2	7.7
Consumer prices (end-of-period)	6.5	15.3	3.7	7.6	8.6	9.9	10.9

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

1/ Estimates at 1992 factor cost.

2/ Includes mining and exploration, manufacturing, electricity and water, and construction.

3/ Includes retail and wholesale trade, transportation and communications, finance, and other services.

**Table 2. Solomon Islands: Real GDP Growth Rates by Sectoral Origin, 2004–07**

(Annual percentage change)

	2004	2005	2006	Est. 2007
Primary sector	20.4	3.2	11.1	10.3
Agriculture	3.4	11.2	2.3	21.2
Forestry	40.0	9.4	6.3	24.5
Fishing	10.6	-9.6	25.1	-15.2
Secondary sector	3.5	9.3	7.7	12.2
Mining and exploration	3.1	0.0	0.0	0.0
Manufacturing	1.1	1.0	2.8	4.7
Electricity and water	0.7	17.5	1.8	12.0
Construction	27.0	16.0	33.5	34.0
Tertiary	4.1	3.5	6.2	9.2
Retail and wholesale trade	3.1	1.7	0.0	6.5
Transportation and communications	3.4	1.9	27.9	20.4
Finance	2.6	1.0	1.9	9.2
Other services	6.1	7.1	6.5	6.7
Monetary GDP at factor cost	9.6	5.5	7.4	12.5
Nonmonetary GDP at factor cost	2.8	2.8	2.8	2.8
Food	2.8	2.8	2.8	2.8
Construction	2.8	2.8	2.8	2.8
Real GDP at market prices	9.2	3.9	8.0	9.8
Memorandum item:				
Nominal GDP at current market prices (in millions of SI dollars)	1,961.1	2,207.5	2,542.3	2,971.3

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

Table 3. Solomon Islands: Honiara Retail Price Index, 2004–08 1/

(2005 Q4 = 100)

	Food 429	Drink and Tobacco 47	Clothing and Footwear 38	Housing and Utilities 181	Household Operations 47	Transport and Communication 164	Recreational Health and Other Services 76	Miscellaneous Items 18	Imported Items 602	Local Items 429	All Items 1,000
2004	92.3	100.0	95.5	83.8	92.0	76.4	86.2	93.0	92.9	313.0	89.1
2005	98.6	98.2	96.7	95.0	96.9	90.9	96.4	97.3	97.8	97.2	96.7
2006	108.3	109.4	115.0	107.0	107.8	105.7	112.5	109.1	108.4	108.2	108.2
2007	114.8	113.8	119.3	127.4	117.4	110.0	113.7	120.5	116.7	116.5	116.6
2004											
January	88.3	103.8	95.2	81.2	90.1	72.2	83.7	91.4	89.8	302.6	86.2
February	90.8	105.0	95.3	81.9	90.9	74.0	84.0	92.1	91.6	308.2	87.9
March	90.6	105.1	95.3	81.7	91.5	74.6	84.6	91.7	92.4	307.0	87.9
April	92.8	99.6	95.3	80.8	92.1	75.0	84.6	92.5	92.1	311.8	88.6
May	93.0	99.6	95.6	81.0	92.2	75.3	87.3	92.5	92.1	314.0	89.0
June	92.8	100.0	95.6	81.0	92.2	75.3	87.3	92.9	92.7	312.5	89.0
July	93.3	100.1	95.6	83.1	92.2	77.3	87.2	93.4	93.7	314.7	89.7
August	92.6	97.6	95.6	82.4	92.4	77.1	87.1	93.6	93.2	312.8	89.2
September	93.8	102.0	95.6	85.8	92.4	78.1	87.1	93.8	94.6	317.6	90.5
October	93.4	95.5	95.6	87.9	92.6	79.2	87.1	93.4	94.2	317.9	90.4
November	93.4	95.5	95.6	88.6	92.7	79.1	87.2	94.0	94.2	318.3	90.5
December	93.1	96.7	95.5	90.0	92.9	79.6	87.2	94.1	94.2	318.8	90.7
2005											
January	93.9	99.4	95.5	87.8	92.9	78.7	93.8	94.4	94.3	91.9	91.4
February	95.7	99.3	95.5	88.2	93.2	79.1	93.7	95.3	93.7	92.8	92.4
March	95.2	99.3	95.5	88.2	93.2	80.8	94.1	96.6	94.6	93.9	92.4
April	98.5	94.3	95.6	92.4	96.5	80.3	95.7	96.2	95.2	93.5	94.6
May	97.5	96.1	95.6	96.4	96.8	80.3	95.7	96.3	96.3	98.3	94.8
June	99.5	96.1	95.6	96.0	97.0	97.7	95.8	96.9	98.8	95.4	97.9
July	102.7	97.8	95.6	96.6	97.7	97.6	95.8	97.1	98.9	100.1	99.6
August	100.5	97.8	95.6	97.0	97.9	98.0	95.8	97.4	99.5	102.5	98.7
September	99.7	97.7	95.6	97.0	97.6	98.0	95.8	97.6	99.8	101.0	98.3
October	99.7	99.6	100.0	99.8	99.9	99.0	100.0	100.0	99.5	99.7	99.6
November	99.8	99.6	100.0	100.2	100.0	101.4	100.0	100.0	100.6	100.1	100.1
December	100.6	100.8	100.0	100.0	100.1	99.7	100.0	100.2	99.9	100.5	100.2
2006											
January	102.5	105.3	113.9	105.4	106.9	103.8	113.0	107.2	105.0	104.8	104.9
February	102.7	104.6	113.9	104.8	107.1	102.9	112.3	107.2	104.5	104.7	104.6
March	104.5	102.2	113.7	105.0	107.3	103.3	112.3	107.2	105.1	105.6	105.4
April	107.0	99.8	113.8	106.2	107.2	105.1	112.3	107.2	106.4	107.2	106.9
May	109.6	108.6	113.9	106.6	107.2	105.0	112.3	107.0	106.6	109.7	108.5
June	110.6	108.5	113.9	106.9	107.3	105.9	112.3	107.2	108.7	109.4	109.1
July	111.8	113.1	113.9	107.2	107.4	106.3	112.3	107.0	109.5	110.2	109.9
August	111.3	113.3	114.4	107.3	108.2	106.7	112.3	108.0	109.7	110.0	109.9
September	109.5	112.5	114.4	107.3	108.2	106.7	112.3	108.3	109.8	108.7	108.1
October	110.4	117.3	116.8	108.4	108.6	107.8	112.8	111.6	111.4	109.6	110.3
November	110.2	115.2	118.5	109.2	109.1	107.6	112.9	115.3	111.9	109.4	110.4
December	109.9	111.8	118.9	109.5	109.2	107.6	112.9	116.2	112.1	109.0	110.2
2007											
January	111.8	114.6	118.4	126.3	112.7	109.9	113.5	113.5	113.6	115.4	114.7
February	109.7	115.0	119.6	126.7	110.1	108.0	112.9	116.7	113.0	113.8	113.5
March	110.1	114.5	119.6	126.7	111.3	108.0	113.5	114.9	113.1	114.2	113.7
April	111.6	115.6	119.4	126.3	111.5	108.8	113.5	114.3	113.3	114.3	114.5
May	112.6	115.1	120.2	126.1	112.9	109.0	113.5	113.5	114.5	115.3	115.0
June	113.0	114.6	120.2	126.3	113.0	109.9	113.5	113.5	115.1	115.4	115.3
July	113.2	108.2	120.2	126.9	113.2	109.0	113.5	113.5	114.9	115.1	115.0
August	113.4	109.4	117.0	127.7	113.2	109.2	113.5	113.4	115.2	115.3	115.3
September	116.4	107.1	119.7	128.0	126.3	110.1	114.4	129.5	119.1	116.8	117.7
October	118.3	111.9	119.7	128.2	127.2	111.9	114.4	129.5	120.4	118.3	119.1
November	125.6	111.9	119.0	129.8	128.9	112.2	114.4	136.8	122.5	122.9	122.8
December	121.6	128.3	118.8	130.3	129.0	114.1	114.4	136.8	126.1	119.7	122.2
2008											
January	123.1	126.8	118.8	138.6	128.7	116.1	117.3	136.2	127.9	122.7	124.8
February	124.9	126.8	118.6	138.6	128.9	115.8	117.3	137.6	127.8	124.1	125.6
March	123.1	122.7	118.6	138.7	129.1	116.7	117.3	137.9	128.1	122.7	124.8
April	129.7	125.1	119.2	142.0	129.9	119.5	117.3	137.0	133.5	125.8	128.8
May	141.8	123.5	120.1	142.3	131.9	121.3	117.3	141.0	142.8	129.1	134.5
June	147.1	122.9	120.5	142.8	135.5	126.7	117.3	141.5	149.6	130.3	137.9

Sources: National Statistical Office, Central Bank of Solomon Islands; and Staff Estimates.

1/ Data from 2005 Q4 reflects new weights.

**Table 4. Solomon Islands: Formal Employment, 2004–07**

(Number of employees)

	Est. 2004	Est. 2005	Est. 2006	2007
Total	52,121	56,559	59,161	...
Classification by industry				
Agriculture	6,342	...	...	...
Forestry	3,482	...	...	...
Fishing	5,114	...	...	...
Manufacturing 1/	1,476	...	...	...
Electricity and water	469	...	...	...
Construction	1,397	...	...	...
Trading 2/	3,274	...	...	...
Transportation and communications	1,246	...	...	...
Finance	806	...	...	...
Administration	6,758	...	...	...
Other services	21,757	...	...	...

Sources: National Statistical Office; and Central Bank of Solomon Islands.

1/ Manufacturing includes mining.

2/ Trading includes retail, wholesale, restaurants, and hotels.



**Table 5. Solomon Islands: Central Government Operations, 2002–07**

(In percent of GDP)

	2002	2003	2004	2005	2006	Est. 2007
Total revenue and grants	19.0	39.2	48.1	66.2	64.7	69.0
Total revenue	16.3	21.2	26.3	29.7	32.3	36.8
Tax revenue	15.6	19.4	23.6	25.2	26.7	31.1
Income and profits	4.8	5.6	7.6	8.3	8.7	10.0
Goods and services	4.6	6.5	8.4	9.0	9.3	11.3
International trade and transactions	6.2	7.3	7.6	7.8	8.7	9.7
Tax on logging	...	3.6	3.4	3.9	5.1	6.0
Other revenue	0.7	1.8	2.7	4.5	5.5	5.7
Stamp duty	0.2	0.2	0.2	0.3	0.3	0.3
Licenses and fees	0.2	0.1	0.3	0.2	0.2	0.2
Miscellaneous revenue	0.3	1.5	2.2	4.0	5.1	5.2
Grants	2.7	18.0	21.8	36.6	32.5	32.2
Development grants 1/	2.2	14.2	17.3	34.8	29.6	31.2
Recurrent budget grants	0.5	3.8	4.4	1.8	2.9	1.0
Expenditure 2/	28.0	37.4	39.1	63.6	63.0	70.4
Recurrent expenditure	24.8	21.9	21.6	26.7	30.7	33.0
Compensation of employees	11.7	9.3	8.8	10.6	9.8	11.9
Goods and services	4.8	5.8	7.8	11.1	16.4	16.7
Interest	1.3	0.9	0.9	0.9	0.6	1.2
Grants to provinces	0.9	2.0	2.5	1.5	1.9	1.9
Employer social benefits	0.2	0.2	0.2	0.1	0.1	0.1
Other	5.9	3.8	1.4	2.6	2.0	1.2
Development expenditure	3.2	15.5	17.4	36.9	32.3	37.5
Grant financed 1/	2.2	14.2	17.3	34.8	29.6	31.2
Concessional loan financed	1.0	1.4	0.1	2.1	2.2	3.6
Domestically financed	0.0	0.0	0.0	0.1	0.5	2.6
Recurrent balance (above the line) 3/	-8.0	3.2	9.1	4.8	4.5	4.8
Primary domestic balance (above the line) 4/	-8.2	-1.2	5.5	1.7	-0.6	-1.2
Overall balance (above the line)	-9.0	1.8	9.0	2.6	1.7	-1.5
Discrepancy (neg. are net expenditures)	-2.1	-3.3	0.0	-2.0	1.8	0.1
Overall balance (below the line)	-11.1	-1.4	9.0	0.6	-0.1	-1.6
Financing	11.1	1.4	-9.0	-0.6	0.1	1.6
Foreign (net)	5.1	0.8	0.0	4.7	2.1	3.2
Disbursements	5.5	1.3	0.1	2.1	2.2	3.6
Amortization (accrual)	0.4	1.0	0.7	0.6	1.0	2.4
Debt forgiveness	0.0	0.4	0.6	3.2	0.9	2.0
Domestic bank and nonbank (net)	-3.0	-9.3	-6.7	-2.3	-1.8	-1.1
Banking system (accrual)	-1.1	-9.1	-8.7	-1.9	-1.9	-0.7
Central bank	2.5	-3.8	-5.8	-2.8	0.0	-1.3
Commercial banks	-3.5	-5.3	-2.9	0.9	-1.9	0.6
Nonbank (accrual)	-1.9	-0.2	2.0	-0.4	0.1	-0.5
National Provident Fund	-1.2	0.0	1.6	-0.2	-0.1	-0.2
Other	-0.7	-0.2	0.3	-0.2	0.2	-0.3
Privatization receipts	0.0	0.0	0.0	0.0	0.3	0.0
Increase in expenditure arrears 5/	3.7	4.1	-5.2	-3.4	-0.6	-0.5
Principal debt arrears	5.3	5.8	-10.0	0.4	0.0	0.0
External	1.9	0.1	0.5	0.4	0.0	-3.2
Domestic	3.4	5.7	-10.5	0.0	0.0	0.0
Restructured Bonds	0.0	0.0	12.8	0.0	0.0	0.0
Memorandum item:						
Nominal GDP (in millions of S.I. dollars)	1,517	1,718	1,961	2,207	2,542	2,971

Sources: Data provided by the authorities; and Fund staff estimates.

1/ Estimated by staff through 2004. Data for 2005-2007 are from the authorities. Development grants and grant-financed development spending are currently administered by donors, and hence are not under the direct control of the government.

2/ On an accrual basis.

3/ Includes domestic revenue, recurrent expenditure, and recurrent budget grant support.

4/ Defined as domestic revenue net of recurrent noninterest expenditure and nongrant financed development spending.

5/ Includes interest arrears.

**Table 6. Solomon Islands: Central Government Revenue and Grants, 2002–07**

(In millions of Solomon Islands dollars)

	2002	2003	2004	2005	2006	Est. 2007
Total revenue and grants	287.6	673.5	943.0	1,462.3	1,646.0	2,049.2
Total revenue	247.2	364.0	515.9	655.0	820.4	1093.1
Tax revenue	237.1	332.7	462.4	556.1	679.4	923.6
Income and profits	73.2	96.1	148.4	183.9	221.3	297.8
Individuals	37.6	50.5	60.7	93.8	109.3	145.3
Corporations	35.6	45.6	87.7	90.1	112	152.5
Goods and services	70.1	112.0	164.0	199.7	236.8	337.1
Sales taxes	63.0	96.7	143.3	171.4	193.4	284.4
Excises	7.1	15.3	20.7	28.3	43.4	52.7
International trade	93.8	124.6	150.0	172.5	221.3	288.7
Customs and import duties	54.5	67.8	82.4	84.5	87.7	105.1
Export taxes	39.3	56.8	67.6	88.0	133.6	183.6
Other revenue	10.1	31.3	53.5	98.9	141.0	169.5
Stamp duty	3.0	3.7	4.3	5.7	7.3	9.5
Licenses and fees	2.9	2.5	5.2	5.1	5.2	5.7
Miscellaneous revenue	4.2	25.1	44.0	88.1	128.5	154.3
Grants	40.4	309.5	427.1	807.3	825.6	956.1
Development grants 1/	33.3	243.7	340.0	767.3	751.4	927.5
Recurrent budget grants	7.1	65.8	87.1	40.0	74.2	28.6

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

1/ Estimated by staff through 2004. Data for 2005–2007 are from the authorities. Development grants and grant-financed development spending are currently administered by donors, and hence are not under the direct control of the government.

**Table 7. Solomon Islands: Central Government Expenditure, 2002–07**

(In millions of Solomon Islands dollars)

	2002	2003	2004	2005	2006	Est. 2007
Expenditure 1/	424.8	642.4	766.2	1,404.2	1,602.1	2,092.6
Recurrent expenditure	376.1	375.5	424.0	589.8	781.1	979.3
Compensation of employees	177.4	160.2	172.9	232.9	249.8	354.1
Salaries and wages	158.4	135.8	159.7	217.8	233.6	327.5
<i>Of which: Arrears</i>	-1.4	-1.4	0.0	0.0	0.0	0.0
Social contributions	18.9	24.4	13.2	15.1	16.2	26.6
<i>Of which: Arrears</i>	9.3	9.3	0.0	0.0	0.0	0.0
Goods and services	72.3	99.0	153.1	245.3	416.7	496.6
<i>Of which: Arrears</i>	30.0	30.0	0.0	0.0	0.0	0.0
Realized contingent liabilities	0.0	0.0	0.0	31.8	23.9	22.6
Interest	20.4	14.6	17.8	20.4	15.0	36.3
To nonresidents	2.3	4.8	6.7	7.6	2.5	24.0
<i>Of which: Arrears</i>	14.2	19.1	4.9	-23.5	6.1	-6.7
To residents other than government	18.1	9.9	6.5	7.9	9.3	9.3
<i>Of which: Arrears</i>	0.0	0.0	1.9	5.9	2.8	5.6
To CBSI	0.0	0.0	4.7	4.9	3.2	3.0
Grants	14.2	37.5	52.5	35.3	50.8	59.8
To international organizations	0.0	3.3	3.2	2.6	1.3	2.5
To other government units	14.2	34.2	49.3	32.7	49.5	57.4
<i>Of which: Arrears</i>	0.0	9.5	0.0	0.0	0.0	0.0
Employer social benefits	2.8	3.0	3.0	3.0	3.0	3.0
Other expenses	89.0	59.0	22.5	18.7	19.3	2.7
Property expense other than interest	0.3	1.8	1.8	2.0	2.3	2.7
Miscellaneous other expenses 2/	88.7	57.2	20.7	16.7	17.0	0.0
Nonfinancial assets	0.0	2.3	2.3	2.3	2.6	4.3
Purchase	0.0	2.3	2.3	2.3	2.6	4.3
Sale	0.0	0.0	0.0	0.0	0.0	0.0
Development expenditure	48.7	266.9	342.1	814.4	821.04	1113.3
Grant financed 3/	33.3	243.7	340.0	767.3	751.4	927.5
<i>Of which: Cash</i>	20.8	152.3	170.0	450.7	431.1	583.1
Loan financed	15.4	23.2	2.1	47.1	69.7	185.8
Domestic	0.0	0.0	0.0	1.8	13.9	77.8
Foreign	15.4	23.2	2.1	45.3	55.8	108.0
Recurrent balance	-121.8	54.3	179.0	105.2	113.5	142.4
Overall balance (above-the-line)	-137.2	31.1	176.8	58.1	43.8	-43.4

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

1/ All expenditures are presented on an accrual basis.

2/ Including compensation payments.

3/ Estimated by staff through 2004. Data for 2005-2007 are from the authorities. Development grants and grant-financed development spending are currently administered by donors, and hence are not under the direct control of the government.

**Table 8. Solomon Islands: Central Government Budget Financing, 2002–07 1/**

(In millions of Solomon Islands dollars)

	2002	2003	2004	2005	2006	Est. 2007
Total financing	168.7	24.8	-177.1	0.3	1.9	-48.8
Foreign (net)	77.2	13.9	0.1	102.7	54.3	95.2
Disbursement	82.8	23.2	2.1	45.3	55.8	108.0
Amortization	5.6	16.6	13.5	13.3	24.3	70.9
Debt forgiveness	0.0	7.3	11.5	70.7	22.8	58.1
Domestic bank and nonbank (net)	-45.1	-159.4	-131.8	-50.2	-45.3	-34.1
Banking sector	-16.1	-156.8	-170.1	-41.2	-47.7	-19.6
Central bank (net)	37.3	-66.0	-114.1	-62.0	0.7	-38.5
Securities	0.2	-0.1	0.1	-0.1	120.8	-6.6
Lending	0.9	-0.7	0.0	11.4	-156.0	-5.4
Drawdown in deposits	36.2	-65.1	-114.2	-73.3	35.9	-26.5
Commercial banks (net)	-53.3	-90.9	-56.0	20.8	-48.4	18.9
Securities	-51.5	-83.7	-18.3	-4.1	-8.5	-5.2
Lending	0.0	0.0	0.0	0.0	0.0	0.0
Drawdown in deposits	-1.8	-7.2	-37.7	24.9	-39.9	24.0
Nonbank sector	-29.1	-2.6	38.3	-9.0	2.4	-14.5
Development Bank	0.0	0.0	0.0	0.0	0.0	0.0
National Provident Fund	-18.4	0.0	31.8	-4.8	-1.8	-5.0
Other	-10.7	-2.6	6.5	-4.3	4.2	-9.5
Privatization receipts	0.0	0.0	0.0	0.0	8.2	0.0
Increase in expenditure arrears	56.2	70.5	-101.0	-74.6	-14.1	-13.8
Interest	18.3	23.2	-11.3	-23.5	6.1	-6.7
External	14.2	19.1	4.9	-23.5	6.1	-6.7
Domestic	4.1	4.1	-16.2	0.0	0.0	0.0
Other expenditure	37.9	47.4	-89.7	-51.0	-20.1	-7.2
Increase in principal debt arrears	80.5	99.8	-196.1	7.9	-1.3	-96.0
External	29.0	1.8	10.2	7.9	-1.3	-96.0
Domestic	51.5	98.1	-206.3	0.0	0.0	0.0
Restructured Arrears	0.0	0.0	251.7	14.5	0.0	0.0

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

1/ All debt servicing is presented on an accrual basis.

Table 9. Solomon Islands: Central Government Gross Domestic Debt, 2002–07

	2002	2003	2004	2005	2006	Est. 2007
(In millions of Solomon Islands dollars)						
Total	452.9	463.8	484.0	482.4	440.8	409.1
Securities	277.9	289.5	309.6	296.7	411.1	384.8
Bonds	245.6	245.6	269.4	258.0	249.1	237.2
Bills	21.2	32.8	29.1	27.6	30.7	22.4
Other	11.1	11.1	11.1	11.1	131.3	125.3
Loans	175.0	174.3	174.4	185.7	29.7	24.32
(Distribution by holder)						
Central bank	186.3	185.5	185.6	196.9	161.7	149.7
Securities	11.3	11.2	11.3	11.2	132.0	125.4
Bonds	0.0	0.0	0.0	0.0	0.0	0.0
Bills	0.2	0.1	0.2	0.1	0.6	0.1
Other	11.1	11.1	11.1	11.1	131.3	125.3
Loans	175.0	174.3	174.3	185.7	29.7	24.3
Commercial banks	149.8	164.2	145.9	141.8	133.3	128.1
Securities	149.8	164.2	145.9	141.8	133.3	128.1
Bonds	149.8	149.8	141.9	135.1	128.3	121.4
Bills	0.0	14.4	4.0	6.7	5.0	6.7
Other	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0
National Provident Fund	94.3	94.3	126.1	121.6	119.5	114.6
Securities	94.3	94.3	126.1	121.6	119.5	114.6
Bonds	94.3	94.3	126.1	120.5	115.2	107.6
Bills	0.0	0.0	0.0	1.1	4.3	6.9
Other	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0
Statutory corporations	0.0	0.0	1.3	0.0	0.5	0.0
Securities	0.0	0.0	1.2	0.0	0.5	0.0
Bonds	0.0	0.0	0.0	0.0	0.0	0.0
Bills	0.0	0.0	1.2	0.0	0.5	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.1	0.0	0.0	0.0
Others	22.5	19.9	26.4	22.1	26.3	16.8
Securities	22.5	19.9	26.4	22.1	26.3	16.8
Bonds	1.5	1.5	1.4	1.3	1.3	1.2
Bills	21.0	18.4	25.0	20.8	25.1	15.6
Other	...	...	...	...	...	...
Loans	...	...	...	...	...	...
(In percent of total)						
Central bank	41.1	40.0	38.3	40.8	36.7	36.6
Securities	2.5	2.4	2.3	2.3	29.9	30.6
Bonds	0.0	0.0	0.0	0.0	0.0	0.0
Bills	0.0	0.0	0.0	0.0	0.1	0.0
Other	2.4	2.4	2.3	2.3	29.8	30.6
Loans	38.6	37.6	36.0	38.5	6.7	5.9
Commercial banks	33.1	35.4	30.1	29.4	30.2	31.3
Securities	33.1	35.4	30.1	29.4	30.2	31.3
Bonds	33.1	32.3	29.3	28.0	29.1	29.7
Bills	0.0	3.1	0.8	1.4	1.1	1.6
Other	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0
National Provident Fund	20.8	20.3	26.1	25.2	27.1	28.0
Securities	20.8	20.3	26.1	25.2	27.1	28.0
Bonds	20.8	20.3	26.1	25.0	26.1	26.3
Bills	0.0	0.0	0.0	0.2	1.0	1.7
Other	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0
Others	5.0	4.3	5.4	4.6	6.0	4.1
Securities	5.0	4.3	5.4	4.6	6.0	4.1
Bonds	0.3	0.3	0.3	0.3	0.3	0.3
Bills	4.6	4.0	5.2	4.3	5.7	3.8
Other	...	...	...	...	...	...

Sources: Central Bank of Solomon Islands; Ministry of Finance; and Fund staff estimates.

**Table 10. Solomon Islands: Equity Investment of the Investment Corporation of Solomon Islands, 2003–07**

(Percent share)

	2003	2004	2005	2006	2007
<b>Nonfinancial sector</b>					
<b>Agriculture/agro-industry sectors</b>					
Solomon Islands Plantation Ltd.	30	30	98	98	...
Kolombangara Forestry and Plantation Ltd.	19	19	40	40	...
Solomon Taiyo Ltd.	...	...	...	...	...
Soltai Fishing Company 1/	51	51	51	51	...
<b>Others</b>					
Sasape Marina Ltd.	100	100	100	100	...
Solomon Airlines	100	100	100	100	...
Solomon Telekom	7	7	3	3	...
Pacific Forum Line Ltd.	...	...	0.6	0.6	...
Solomon Islands Printers	100	100	100	100	...
<b>Financial sector</b>					
Development Bank of Solomon Islands	10	10	10	10	...
Central Bank of Solomon Islands	100	100	100	100	...

Source: Central Bank of Solomon Islands *Annual Report*.

1/ Incorporated to take over Solomon Taiyo's assets. The remaining 49 percent is owned by the Western Province government.

Table 11. Solomon Islands: Summary Accounts of the Banking System, 2004–2007  
(In millions of Solomon Islands dollars, unless otherwise specified)

	2004	2005	2006	2007
<b>I. Central Bank</b>				
Net foreign reserves	578.2	699.7	773.1	873.5
Assets	600.7	716.9	790.5	918.0
Liabilities	-22.5	-17.2	-17.4	-44.5
Net domestic assets	-194.6	-237.2	-282.5	-398.3
Net credit to central government	-20.5	-82.5	-81.9	-120.3
Credit	185.6	196.9	161.7	149.7
Deposits	-206.1	-279.4	-243.5	-270.0
Credit to rest of NFPS	0.0	0.0	0.0	0.0
Other items (net)	-174.0	-154.6	-200.6	-278.0
Reserve money	383.6	462.6	490.6	475.2
Currency outside banks	123.2	153.0	179.3	234.6
Banking system reserves	260.4	309.5	311.3	240.6
Currency in vault	14.5	15.0	24.1	28.4
Deposits at CBSI	245.9	294.6	287.2	212.3
<b>II. Commercial banks</b>				
Net foreign assets	5.7	12.8	-3.1	-21.5
Monetary reserves and CBSI securities	260.4	309.5	311.3	240.6
Net domestic assets	287.7	389.2	595.2	886.6
Net credit to central government	106.3	127.4	80.8	93.6
Credit	149.8	146.0	138.3	130.1
Deposits	-43.5	-18.6	-57.6	-36.6
Net credit to local government	-3.9	-4.2	-5.1	-2.0
Credit	0.2	0.0	0.0	0.0
Deposits	-4.1	-4.2	-5.1	-2.0
Credit to rest of NFPS	-21.3	-18.2	-52.2	-46.7
Credit to private sector	238.6	389.1	617.2	956.7
Other items (net)	-31.9	-104.9	-45.4	-114.9
Deposits	553.8	711.5	903.5	1,105.7
<b>III. Banking System</b>				
Net foreign assets	583.9	712.5	770.1	852.1
Net domestic assets	93.2	152.0	312.7	488.3
Net domestic credit	299.1	411.5	558.8	881.2
Net credit to central government	85.7	44.8	-1.1	-26.8
Credit	335.4	342.9	300.0	279.8
Deposits	-249.6	-298.0	-301.1	-306.6
Net credit to local government	-3.9	-4.2	-5.1	-2.0
Credit	0.2	0.0	0.0	0.0
Deposits	-4.1	-4.2	-5.1	-2.0
Credit to rest of NFPS	-21.3	-18.2	-52.2	-46.7
Credit to private sector	238.6	389.1	617.2	956.7
Other items (net)	-205.9	-259.5	-246.1	-392.9
M3	621.7	863.7	1,091.6	1,353.0
Narrow money	371.8	537.9	703.4	909.7
Currency outside banks	123.2	153.0	177.6	232.0
Demand deposits	248.6	384.9	525.8	677.7
Quasi-money	249.8	325.8	388.1	443.3
Savings deposits	76.0	88.1	98.9	122.4
Time deposits	173.9	237.8	289.2	320.9

Source: Central Bank of Solomon Islands.

**Table 12. Solomon Islands: Assets and Liabilities of the Central Bank of Solomon Islands, 2004–07**

(In millions of Solomon Islands dollars, end of period)

	2004	2005	2006	Est. 2007
<b>Assets</b>	806.0	942.2	1,004.0	1,143.1
External	596.8	716.9	790.5	918.0
Domestic	209.2	225.3	213.5	225.0
Central government	185.6	196.9	161.7	149.7
Loans	174.3	185.7	29.7	24.3
Securities	11.3	11.2	132.0	125.4
Other domestic assets	23.7	28.4	51.8	75.4
Securities and investments	0.7	0.0	0.0	0.0
Other	23.0	28.4	51.8	75.4
<b>Liabilities</b>	806.0	942.2	1,104.0	1,143.1
External	22.5	17.2	71.4	44.5
Domestic	783.5	925.0	1,032.6	1,098.6
Currency issued	137.7	168.0	203.4	262.9
Deposits	451.9	575.2	534.8	475.9
Banks	244.6	294.7	287.1	200.7
Central government	206.1	279.4	243.5	270.0
Other	1.2	1.1	4.2	5.1
Central bank bills	0.0	0.0	0.0	0.0
Other (including provisions)	177.6	23.2	135.8	150.6
Capital	16.3	158.6	158.6	209.1

Source: Central Bank of Solomon Islands.



**Table 13. Solomon Islands: Assets and Liabilities of Commercial Banks, 2004–07**

(In millions of Solomon Islands dollars, end of period)

	2004	2005	2006	Est. 2007
<b>Assets</b>	775.6	990.6	1,273.1	1,505.3
External	71.9	75.6	79.4	62.8
Domestic	703.7	915.0	1,193.7	1,442.5
Cash	14.5	15.0	24.1	28.4
Deposits at central bank	245.9	294.6	287.2	212.3
Securities	149.8	141.8	133.3	128.1
Treasury bills	7.9	6.7	5.0	6.7
Other government securities	141.9	135.1	128.3	121.4
Central bank securities (Bokolo bills)	0.0	0.0	0.0	0.0
Loans and advances	234.9	389.1	617.2	956.7
Central government	0.0	0.0	0.0	0.0
Provincial governments	0.2	0.0	0.0	0.0
Statutory corporations	0.0	0.0	0.0	0.0
Other	234.7	389.1	617.2	956.7
Premises, equipment, and other	58.6	74.6	131.9	117.1
<b>Liabilities</b>	775.6	990.6	1,273.1	1,505.3
External	66.2	62.8	82.5	84.2
Domestic	709.4	927.9	1,190.6	1,421.0
Deposits	544.9	732.4	966.1	1,144.3
Central government	43.5	18.6	57.6	36.6
Provincial governments	4.1	4.2	5.1	2.0
Statutory corporations	21.3	18.3	52.2	46.8
Other	475.9	691.3	851.3	1,059.0
Capital and reserves	121.1	159.2	180.2	188.3
Other	43.4	36.3	44.3	88.3

Source: Central Bank of Solomon Islands.

**Table 14a. Solomon Islands: Commercial Bank Advances and Loans, 2004–08**

(In millions of Solomon Islands dollars)

End of Period	Agriculture	Forestry	Fisheries	Mining & Quarrying	Manufacturing	Construction	Transport	Telecom- munications	Distribution	Tourism
2004	4.5	42.1	0.3	0.1	26.8	14.9	2.0	42.8	46.9	2.6
2005	4.4	60.5	9.6	0.3	60.0	21.1	5.4	60.5	90.1	2.5
2006	8.2	86.8	22.6	0.0	61.0	42.3	18.7	82.2	103.0	15.7
2007	88.7	55.5	24.6	0.1	122.1	60.2	28.1	119.0	129.4	43.9
2006										
January	4.5	63.4	9.5	0.3	58.0	19.9	5.5	59.8	88.7	2.8
February	5.5	67.9	5.4	0.3	71.3	18.7	5.1	59.2	89.7	2.8
March	4.6	78.6	7.4	0.3	55.8	20.9	4.7	58.5	88.7	2.8
April	4.1	82.8	8.1	0.3	50.4	21.5	5.3	59.5	90.0	2.7
May	4.6	90.6	13.2	0.3	45.0	22.2	4.4	62.4	93.9	3.7
June	6.5	86.8	14.4	0.0	53.8	23.3	4.9	59.8	97.7	4.1
July	7.7	92.4	18.5	0.0	50.6	31.2	5.4	74.1	90.1	5.0
August	8.5	94.7	14.9	0.0	56.0	34.5	5.1	74.8	90.7	5.8
September	7.5	93.8	19.2	0.0	69.5	39.9	7.2	77.7	87.5	6.6
October	7.7	80.4	15.0	0.0	55.3	36.7	7.0	80.3	90.5	8.0
November	8.2	100.3	21.3	0.0	56.1	37.4	7.1	80.3	93.3	14.1
December	8.2	86.8	22.6	0.0	61.0	42.3	18.7	82.2	103.0	15.7
2007										
January	8.4	77.1	24.3	0.0	59.7	44.0	20.6	80.7	100.6	19.9
February	7.7	88.2	24.9	0.0	70.6	45.3	24.2	73.3	100.7	20.8
March	10.9	87.1	30.7	0.0	63.6	47.7	27.3	78.2	106.1	21.2
April	10.2	93.1	29.8	0.0	43.5	45.6	30.3	75.5	103.2	27.3
May	9.4	92.7	29.9	0.0	50.4	46.0	23.4	75.1	101.5	29.5
June	13.0	108.8	31.2	0.0	72.2	48.8	21.9	78.3	110.7	30.7
July	9.7	98.2	29.5	0.0	70.1	46.7	26.2	109.1	115.3	29.5
August	9.7	109.8	33.9	0.2	98.0	45.3	30.6	109.1	122.6	39.7
September	9.5	126.2	32.3	0.3	97.5	49.0	29.0	106.8	122.9	38.6
October	13.1	113.7	24.4	0.5	91.1	54.9	26.9	105.4	126.8	43.6
November	10.2	116.1	25.3	0.1	84.3	50.9	28.1	124.0	123.1	43.6
December	88.7	55.5	24.6	0.1	122.1	60.2	28.1	119.0	129.4	43.9
2008										
January	12.9	137.6	25.9	0.1	112.5	60.1	27.0	120.5	132.8	44.6
February	11.5	132.3	26.1	0.1	121.5	66.4	27.9	134.9	134.6	46.7
March	13.1	123.2	30.9	1.9	107.8	67.0	32.6	133.0	133.7	46.8

Source: Central Bank of Solomon Islands.

**Table 14b. Solomon Islands: Commercial Bank Advances and Loans, 2004–08**

(In millions of Solomon Islands dollars)

End of Period	Entertainment & Catering	Government	Statutory Corporations	Public Financial Institutions	Private Financial Institutions	Professional & Other Services	Personal	Total	Non- Resident
2004	1.7	0.2	0.1	0.0	0.0	15.0	38.6	238.9	1.6
2005	3.9	0.0	0.0	0.0	0.0	17.3	53.7	389.1	4.5
2006	3.3	0.0	1.0	0.0	0.2	45.9	117.1	607.9	0.4
2007	0.9	0.0	0.8	0.0	0.4	49.8	191.1	914.8	1.8
2006									
January	4.1	0.0	0.2	0.0	0.0	18.8	64.6	400.1	0.4
February	4.3	0.0	0.0	0.0	0.0	25.2	68.8	424.2	0.4
March	4.4	0.0	0.3	0.3	0.3	27.7	76.9	432.2	0.4
April	4.5	0.0	0.1	0.0	0.3	28.7	76.1	434.3	0.4
May	4.4	0.1	0.0	0.0	0.3	31.3	79.9	456.2	0.4
June	4.4	0.0	0.0	0.0	0.3	35.6	84.0	475.7	0.4
July	4.5	0.0	0.1	0.0	0.3	36.2	87.3	503.4	0.4
August	3.3	0.0	0.1	0.0	0.2	37.6	91.2	517.4	0.5
September	3.2	0.0	0.4	0.0	0.3	44.0	91.9	548.7	0.4
October	3.4	0.0	0.9	0.3	0.2	43.2	99.1	528.0	0.4
November	3.6	0.0	0.9	0.2	0.2	43.4	107.0	573.5	0.4
December	3.3	0.0	1.0	0.0	0.2	45.9	117.1	607.9	0.4
2007									
January	4.2	0.0	1.0	0.0	0.3	45.5	122.3	608.5	0.4
February	4.1	0.0	1.0	0.2	0.3	48.3	131.7	641.1	0.5
March	4.3	1.6	0.9	0.8	0.3	54.4	134.9	669.9	0.5
April	0.3	0.0	1.3	0.0	0.3	54.9	141.0	656.1	0.5
May	0.4	0.0	0.6	0.0	0.3	53.1	143.4	655.7	0.4
June	0.5	0.0	0.3	0.0	5.9	49.5	148.5	720.4	0.4
July	0.6	0.0	0.3	0.0	0.3	48.5	156.0	740.0	0.4
August	0.6	0.1	0.3	0.0	0.4	49.1	162.3	811.6	0.4
September	0.6	0.0	0.7	0.0	0.3	48.9	163.7	826.2	0.4
October	0.6	0.0	0.8	0.0	0.4	50.9	169.1	822.1	0.4
November	0.7	0.0	0.5	0.0	0.3	51.3	181.6	840.3	1.9
December	0.9	0.0	0.8	0.0	0.4	49.8	191.1	914.8	1.8
2008									
January	0.8	0.0	1.1	0.0	0.3	49.4	195.1	920.8	1.9
February	1.0	0.0	1.1	0.0	0.4	53.1	207.8	965.5	1.8
March	1.1	0.0	1.3	0.0	1.0	51.8	209.9	954.9	1.8

Source: Central Bank of Solomon Islands.

**Table 15. Solomon Islands: Commercial Bank Interest Rates  
on Savings and Time Deposits, 2004–08**

(In percent, end of period)

End of Period	Time Deposits										Weighted Average Rate of Interest On Deposits
	Savings Deposits		Up to 3 Months		3–6 Months		6–12 Months		Over 12 Months		
	From	To	From	To	From	To	From	To	From	To	
2004	0.25	- 0.50	0.25	- 1.00	0.50	- 1.25	0.50	- 1.50	0.00	- 2.00	0.72
2005	0.00	- 0.20	0.00	- 1.00	0.25	- 1.25	0.25	- 1.50	0.00	- 2.25	0.91
2006	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.50	- 1.50	0.00	- 2.25	0.94
2007	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.43	0.65
<b>2004</b>											
January	0.25	- 2.00	0.50	- 1.00	0.50	- 1.50	1.50	- 2.25	1.50	- 3.00	1.18
February	0.25	- 2.00	0.50	- 1.00	0.50	- 1.50	1.50	- 2.00	1.50	- 3.00	1.16
March	0.25	- 0.50	0.50	- 1.00	0.50	- 1.50	1.50	- 2.00	0.00	- 3.00	1.04
April	0.25	- 2.00	0.50	- 1.00	0.50	- 1.50	1.50	- 2.25	1.50	- 3.00	1.17
May	0.25	- 2.00	0.50	- 1.00	0.50	- 1.50	1.50	- 2.25	1.50	- 3.00	1.17
June	0.25	- 0.50	0.50	- 1.00	0.50	- 1.50	1.50	- 2	0.00	- 3.00	1.05
July	0.25	- 2.00	0.50	- 1.00	0.50	- 1.50	1.50	- 2.25	1.50	- 3.00	1.18
August	0.25	- 2.00	0.50	- 1.00	0.50	- 1.50	1.50	- 2.25	1.50	- 3.00	1.20
September	0.25	- 0.50	0.50	- 0.75	0.50	- 1.00	1.25	- 1.50	0.00	- 1.75	0.76
October	0.25	- 2.00	0.50	- 0.75	0.50	- 1.00	0.50	- 1.50	1.50	- 1.75	0.92
November	0.25	- 2.00	0.25	- 1.00	0.50	- 1.25	0.50	- 1.50	1.25	- 2.00	0.95
December	0.25	- 0.50	0.25	- 1.00	0.50	- 1.25	0.50	- 1.50	0.00	- 2.00	0.72
<b>2005</b>											
January	0.25	- 2.00	0.25	- 1.00	0.50	- 1.25	0.50	- 1.50	1.25	- 2.00	0.94
February	0.25	- 2.00	0.25	- 0.75	0.25	- 1.00	0.25	- 1.50	0.75	- 1.50	0.82
March	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.00	- 2.25	0.95
April	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.76
May	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.83
June	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.00	- 2.25	0.95
July	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.72
August	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.71
September	0.00	- 0.20	0.00	- 0.50	0.25	- 0.50	0.25	- 1.50	0.50	- 2.25	0.71
October	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.69
November	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.69
December	0.00	- 0.20	0.00	- 1.00	0.25	- 1.25	0.25	- 1.50	0.00	- 2.25	0.91
<b>2006</b>											
January	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.69
February	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.68
March	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.00	- 2.25	0.94
April	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.67
May	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.50	- 1.50	0.50	- 2.25	0.67
June	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.50	- 1.50	0.00	- 2.25	0.98
July	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.66
August	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.66
September	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.50	- 1.50	0.00	- 2.25	0.94
October	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.69
November	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.76
December	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.50	- 1.50	0.00	- 2.25	0.94
<b>2007</b>											
January	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.74
February	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.74
March	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.00	- 2.25	0.94
April	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 1.50	0.50	- 2.25	0.74
May	0.25	- 2.00	0.25	- 1.00	0.25	- 1.25	0.25	- 0.75	0.50	- 2.25	0.75
June	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.40	0.62
July	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.40	0.62
August	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.40	0.63
September	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.40	0.63
October	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.40	0.63
November	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.40	0.65
December	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.43	0.65
<b>2008</b>											
January	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.40	0.65
February	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.40	0.65
March	0.25	- 2.00	0.25	- 0.50	0.25	- 0.75	0.25	- 0.75	0.50	- 1.40	0.65

Source: Central Bank of Solomon Islands.

**Table 16. Solomon Islands: Commercial Bank Interest Rates on Loans and Overdrafts, 2004–08**

(In percent, end of period)

End of Period	Personal Loans	Other Loans	Overdrafts	Weighted Average Rate of Interest on Loans and Overdrafts
2004	14.00 - 17.50	5.90 - 21.50	10.00 - 20.50	14.69
2005	14.00 - 17.50	5.90 - 21.50	8.50 - 20.50	14.37
2006	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.73
2007	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.22
2006				
January	14.00 - 17.50	5.90 - 21.50	8.50 - 20.50	14.39
February	14.00 - 17.50	5.90 - 21.50	8.50 - 20.50	14.39
March	14.00 - 17.50	5.90 - 21.50	8.50 - 20.50	14.41
April	14.00 - 17.50	5.90 - 21.50	8.50 - 20.50	14.41
May	14.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.01
June	14.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.02
July	14.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.00
August	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.74
September	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.73
October	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.72
November	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.73
December	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.73
2007				
January	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.72
February	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.74
March	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.73
April	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.72
May	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.69
June	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.74
July	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	13.67
August	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.21
September	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.21
October	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.21
November	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.22
December	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.22
2008				
January	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.22
February	11.00 - 17.50	4.50 - 21.50	8.00 - 20.50	14.23
March	11.00 - 17.51	4.50 - 21.51	8.00 - 20.51	14.23

Source: Central Bank of Solomon Islands.

**Table 17. Solomon Islands: Assets and Liabilities of the National Provident Fund, 2004–08**

(In millions of Solomon Islands dollars)

End of Period	Assets								Liabilities			
	Banks Term Deposits	Treasury Bills	Development Bonds	Restructured Bonds	Loans to Statutory Authorities 1/	Loans to Private Sector 2/	Fixed Assets (Net) 3/	Other Assets	Contribution Account	Accumulated Funds	Other Liabilities	Total Assets and Liabilities
2004	73.3	0.0	74.2	51.9	71.3	3.7	58.2	142.0	401.1	18.9	54.6	474.7
2005	131.5	1.1	70.4	49.8	61.2	3.8	21.2	185.9	459.2	19.6	46.2	525.0
2006	184.5	4.3	66.9	48.3	56.3	3.3	55.7	176.2	525.0	39.5	31.1	595.6
2007	247.3	6.9	63.3	44.3	28.4	3.1	56.3	307.2	668.8	42.3	45.8	756.9
2006												
January	131.4	1.0	70.1	49.9	62.6	38.2	21.2	157.0	462.0	21.0	48.4	531.4
February	130.7	1.0	69.8	50.0	62.0	38.4	21.1	160.6	464.3	21.2	48.1	533.5
March	129.2	3.4	69.5	49.8	61.5	38.6	21.3	166.7	467.5	24.7	47.6	539.8
April	159.2	4.4	69.2	49.3	60.6	21.7	21.4	161.7	471.9	26.6	48.9	547.5
May	164.2	5.6	68.9	48.8	59.2	21.6	22.0	168.7	476.6	39.4	42.8	558.8
June	169.3	5.7	68.6	48.5	59.9	21.6	22.2	166.7	489.3	31.7	41.5	562.5
July	182.8	3.3	68.7	48.2	57.9	21.8	21.3	160.1	493.5	21.8	48.7	564.0
August	185.3	1.8	68.1	48.3	57.7	21.8	22.5	161.5	497.8	20.3	48.8	566.9
September	185.3	0.8	67.6	48.0	57.3	21.9	24.8	170.7	503.8	23.6	49.0	576.5
October	185.3	2.8	67.5	48.2	57.0	21.8	55.3	143.1	509.5	22.6	48.9	581.0
November	172.0	4.3	67.2	48.2	56.4	21.7	55.4	159.0	520.1	34.0	30.3	584.3
December	184.5	4.3	66.9	48.3	56.3	3.3	55.7	176.2	525.0	39.5	31.1	595.6
2007												
January	195.1	1.4	66.5	47.5	55.8	3.2	55.7	174.6	530.8	38.1	30.9	599.8
February	195.1	2.4	66.2	47.6	54.8	3.2	56.0	174.4	532.2	36.7	30.7	599.6
March	210.1	2.8	66.0	46.6	55.1	3.3	57.6	166.4	540.8	34.9	32.3	608.0
April	210.2	4.5	65.7	46.7	57.9	3.3	57.6	175.3	544.6	41.6	34.9	621.1
May	230.7	5.9	65.4	46.9	34.3	3.3	58.4	193.1	552.0	61.1	24.8	637.8
June	232.3	6.7	65.1	45.6	32.4	3.3	26.2	281.2	617.7	60.8	14.3	692.8
July	230.4	4.3	65.1	45.3	31.9	3.2	26.4	289.2	622.9	21.1	51.8	695.8
August	281.8	6.5	64.9	45.1	31.2	3.2	26.6	248.8	631.9	25.4	50.8	708.1
September	271.1	2.4	64.6	44.6	30.2	3.2	26.6	272.2	639.7	24.9	50.3	715.0
October	264.4	4.7	63.9	44.8	29.4	3.2	56.4	262.9	649.3	30.3	50.1	729.7
November	260.6	5.8	63.6	44.6	28.7	3.2	56.2	282.7	659.0	36.5	49.8	745.3
December	247.3	6.9	63.3	44.3	28.4	3.1	56.3	307.2	668.8	42.3	45.8	756.9
2008												
January	268.4	7.3	63.0	44.1	28.1	3.1	56.2	288.4	676.7	36.9	45.0	758.6
February	268.3	4.7	62.7	43.9	27.7	3.1	56.2	294.1	684.1	32.1	44.5	760.7
March	288.4	5.5	62.4	44.0	25.7	3.1	56.4	280.2	696.5	25.1	44.2	765.8

Source: National Provident Fund.

1/ Includes loans to members.

2/ Includes staff loans, Western Province Housing Scheme, and NPF Housing Scheme.

3/ Includes cash at bank, accrued interest, rent in arrears, and bank overdrafts.

**Table 18. Solomon Islands: Income Statement of the  
National Provident Fund, 2003–07 1/**

(In millions of Solomon Islands dollars)

	2003	2004	2005	2006	2007
Interest income	22.4	12.3	11.6	15.7	...
Noninterest income	5.9	13.2	16.1	30.1	...
Dividends received	0.9	7.1	7.8	7.7	...
Rentals	3.9	4.6	5.0	5.7	...
Surcharges	0.9	1.3	1.8	2	...
Sundry income	0.1	0.1	1.4	10.2	...
Profit on sales of assets	0.1	0.1	0.1	4.5	...
Operating income	28.3	25.5	27.7	45.8	...
<i>Less: Operating expenses</i>	18.1	67.7	19.9	22.1	...
Administration	17.8	67.5	19.6	21.8	...
Members	0.3	0.2	0.3	0.3	...
Net operating income	10.2	-42.2	7.8	23.7	...
Interest appropriated to members	6.8	7.8	8.9	15.9	...
Transfer to reserves	3.4	-50.1	-1.1	7.7	...

Sources: Central Bank of Solomon Islands; and NPF Annual Audited Accounts.

1/ Financial year ending in June.

**Table 19. Solomon Islands: Assets and Liabilities of the Development Bank of Solomon Islands, 2003–07**

(In millions of Solomon Islands dollars)

End of Period	Assets						Liabilities					Total Assets and Liabilities
	Fixed Deposits	Term Loans	Equity Holdings	Staff Loans	Fixed Assets 1/	Other Assets 2/	S.I.G	Liabilities Overseas 3/	N.P.F.	Capital & Reserves	Other Liabilities	
2003	0.7	57.5	0.1	3.6	2.3	-25.2	0.0	16.8	2.6	-15.5	28.0	38.9
2004	2.2	50.9	0.1	2.5		-27.3	0.0	20.2	3.8	-14.5	19.9	29.4
2005	0.2	36.5	0.0	0.7	2.1	-21.3	0.0	21.1	3.6	-13.6	7.1	18.1
2006	1.8	17.3	0.0	0.0	1.0	-8.2	0.0	21.1	3.5	-13.9	1.2	11.9
2007	0.2	8.2	0.0	0.0	0.6	-1.1	0.0	21.1	0.0	-14.1	1.0	7.9
2006												
January	0.2	36.2	0.0	0.5	1.5	-20.7	0.0	21.1	3.6	-13.6	6.5	17.6
February	0.4	33.9	0.0	0.5	1.5	-19.2	0.0	21.1	3.6	-13.4	5.7	17.0
March	0.4	30.8	0.0	0.5	1.3	-17.4	0.0	21.1	3.1	-13.4	4.7	15.5
April	0.4	30.4	0.0	0.4	1.3	-17.4	0.0	21.1	3.6	-13.3	3.7	15.0
May	0.4	30.1	0.0	0.4	1.4	-17.4	0.0	21.1	3.6	-13.2	3.5	14.9
June	0.4	2.8	0.0	0.4	1.4	-16.6	0.0	21.1	3.6	-13.3	2.6	13.9
July	0.4	26.5	0.0	0.2	1.4	-16.0	0.0	21.1	3.6	-13.3	1.3	12.6
August	0.8	20.0	0.0	0.2	1.3	-9.7	0.0	21.1	3.6	-13.3	1.3	12.7
September	1.2	19.9	0.0	0.2	1.2	-9.9	0.0	21.1	3.5	-13.5	1.3	12.4
October	1.5	19.2	0.0	0.1	1.0	-9.5	0.0	21.1	3.5	-13.6	1.3	12.3
November	1.5	18.0	0.0	0.1	1.0	-8.6	0.0	21.1	3.5	-13.7	1.2	12.1
December	1.8	17.3	0.0	0.0	1.0	-8.2	0.0	21.1	3.5	-13.9	1.2	11.9
2007												
January	2.3	15.9	0.0	0.0	1.0	-7.4	0.0	21.1	3.5	-14.0	1.2	11.8
February	2.5	14.9	0.0	0.0	1.0	-6.9	0.0	21.1	3.5	-14.1	1.1	11.6
March	2.5	13.1	0.0	0.0	0.8	-5.5	0.0	21.1	3.5	-14.4	0.8	10.9
April	2.5	12.3	0.0	0.0	0.8	-4.7	0.0	21.1	3.5	-14.5	0.8	10.9
May	2.5	10.5	0.0	0.0	0.9	-3.1	0.0	21.1	3.5	-14.4	0.6	10.7
June	0.0	10.0	0.0	0.0	1.1	-4.1	0.0	21.1	0.0	-14.7	0.6	6.9
July	0.2	9.9	0.0	0.0	1.1	-4.2	0.0	21.1	0.0	-14.7	0.6	6.9
August	0.2	8.8	0.0	0.0	1.0	-3.2	0.0	21.1	0.0	-14.8	0.6	6.8
September	0.2	8.7	0.0	0.0	0.6	-2.6	0.0	21.1	0.0	-14.8	0.7	6.9
October	0.2	8.7	0.0	0.0	0.7	-2.0	0.0	21.1	0.0	-14.1	0.7	7.6
November	0.2	8.5	0.0	0.0	0.6	-1.6	0.0	21.1	0.0	-14.1	0.7	7.6
December	0.2	8.2	0.0	0.0	0.6	-1.1	0.0	21.1	0.0	-14.1	1.0	7.9

Source: Central Bank of Solomon Islands.

1/ Less provision for depreciation.

2/ Includes provisions for doubtful debts.

3/ Intermediated by the Solomon Islands government.



**Table 20. Solomon Islands: Income Statement of the Development Bank of Solomon Islands, 2003–07**

(In millions of Solomon Islands dollars)

	2003	2004	2005	2006	2007
Interest income	4.1	4.4	4.1	2.1	...
Interest on loans	4.1	3.9	2.3	1.2	...
Interest on short-term deposits	0.0	0.5	1.8	0.0	...
Less: borrowing costs	2.1	0.9	0.0	0.0	...
Net interest income	2.0	3.5	4.1	2.1	...
Noninterest income	0.6	0.5	1.8	1.0	...
Fees	0.0	0.1	0.0	0.0	...
Dividends	0.0	0.0	0.0	0.0	...
Rents received	0.0	0.0	0.0	0.2	...
Other income	0.6	0.4	1.8	0.8	...
Profit from sale of fixed assets	0.0	0.0	0.0	0.0	...
Operating income after borrowing costs	2.6	4.0	5.9	2.9	...
Noninterest expenses	8.6	6.2	2.7	2.4	...
General operating costs	4.2	5.0	2.4	2.3	...
Director fees	0.0	0.0	0.0	0.0	...
Audit fees	0.0	0.0	0.0	0.0	...
Depreciation	0.0	0.0	0.0	0.0	...
Doubtful debt provision	4.4	1.2	0.3	0.1	...
Net operating income					
Before foreign exchange gains/losses	-5.9	-2.6	-1.4	0.0	...
Foreign exchange gains/losses	-3.4	0.0	0.0	0.0	...
Net profit/loss for current year	-9.4	-2.6	1.4	-0.3	...
Retained profits/losses brought forward	-24.0	-33.3	-35.9	-34.5	...
Transfer from reserve	0.0	0.0	0.0	0.0	...
Net profit/loss for current year	-9.4	-2.6	1.4	-0.3	...
Retained profits/losses at end-year	-33.3	-35.9	-34.5	-34.9	...

Sources: Central Bank of Solomon Islands; DBSI Onsite Examination Report and DBSI Audited Profit and Loss Accounts.

**Table 21. Solomon Islands: Balance of Payments, 2003-07**

(In millions of U.S. dollars)

	2003	2004	2005	2006	2007 Est.
Current account balance	20.9	61.5	-28.7	-18.8	-10.8
In percent of GDP	9.1	23.5	-9.8	-5.6	-2.8
Trade balance for goods	6.7	11.9	-41.2	-62.1	-71.1
Exports	74.3	97.1	102.7	121.4	168.9
<i>Of which:</i> Logs	49.5	62.6	67.8	84.6	109.6
<i>Of which:</i> Fish	12.4	17.6	11.5	19.2	19.8
<i>Of which:</i> Minerals	0.1	0.4	0.2	0.8	0.9
Imports	-67.5	-85.2	-143.9	-183.5	-240.0
<i>Of which:</i> Food	-15.0	-13.6	-20.4	-21.6	-30.2
<i>Of which:</i> Fuel	-11.7	-23.3	-42.9	-54.4	-56.8
Trade balance for services	6.0	7.7	6.9	23.0	20.5
Income balance	-0.9	3.7	1.6	4.3	-4.2
Current transfers balance	9.1	38.1	4.1	16.1	44.0
Capital account balance	12.6	1.5	27.6	29.4	36.0
Financial account balance	-26.1	-39.4	22.7	-16.0	-20.9
Direct investment balance	-1.8	5.7	18.2	11.5	33.8
Other investment balance	-24.3	-45.1	4.6	-27.4	-54.7
Errors and omissions	11.4	19.9	-5.7	14.7	12.7
Overall balance	18.8	43.4	16.0	9.4	17.0
Memorandum Items					
Gross official foreign reserves	36.3	79.5	94.6	103.5	119.8
In months of projected import coverage	4.0	5.5	5.3	4.2	4.1
Gross external debt (percent of GDP)	80.5	68.3	57.2	52.8	44.1
Private sector	11.6	9.9	8.6	7.4	6.2
Public sector	68.9	58.4	48.6	45.4	37.9
External debt service (percent of GDP)	2.1	1.7	2.5	1.3	3.2
Principal	1.0	0.7	0.6	1.0	2.4
Interest	1.1	1.0	1.9	0.4	0.8
Nominal GDP	228.9	262.0	293.2	334.1	388.3

Sources: Data provided by the authorities, and Fund Staff projections.

**Table 22. Solomon Islands: Trade Indicators, 2003–07**

	2003	2004	2005	2006	Est. 2007
	(Percentage change)				
Terms of trade	-16.6	-11.2	-2.3	-13.3	-9.6
Export indices					
Value	28.4	30.4	5.9	17.6	39.4
Volume	19.0	16.9	5.4	6.6	17.6
Unit price	9.4	13.5	0.6	11.0	21.8
Import indices					
Value	4.5	26.1	68.9	27.5	30.8
Volume	2.4	22.8	65.5	25.0	26.7
Unit price	2.0	3.3	3.4	2.6	4.1
	(In percent of GDP)				
Current account balance					
Including transfers	9.1	23.5	-9.8	-5.6	-2.8
Excluding transfers	5.2	8.9	-11.2	-10.5	-14.1

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

**Table 23. Solomon Islands: Composition of Exports, 2003–07**

(Total values in thousands of U.S. dollars; unit values in U.S. dollars;  
volumes in metric tons unless noted otherwise)

	2003	2004	2005	2006	Est. 2007
<b>Timber, logs (cubic meters)</b>					
Value	49,480	62,551	67,752	84,576	109,604
Unit value 1/	67	60	61	75	76
Volume	736,000	1,043,150	1,118,000	1,130,000	1,446,148
Unit value change	-1.8	-10.8	1.1	23.5	1.3
<b>Fish</b>					
Value	12,373	17,643	11,543	19,168	19,785
Unit value 1/	441	647	484	653	933
Volume	28,072	27,249	23,853	29,364	21,196
Unit value change	-22.1	46.9	-25.3	34.9	43.0
<b>Copra</b>					
Value	1,042	3,413	2,180	1,848	4,805
Unit value 1/	70	156	83	87	172
Volume	14,849	21,831	26,182	21,214	27,905
Unit value change	-63.0	122.8	-46.7	4.6	97.6
<b>Cocoa</b>					
Value	7,086	5,400	8,543	4,132	9,257
Unit value 1/	1,544.8	1,291.5	1,733.6	1,079.3	2,070.9
Volume	4,587	4,181	4,928	3,829	4,470
Unit value change	9.3	-16.4	34.2	-37.7	91.9
<b>Palm oil</b>					
Value	0	0	0	4,037	13,759
Unit value 1/	...	...	...	744	802
Volume	0	0	0	5,427	17,152
Unit value change	...	...	...	...	7.8
Other (value)	4,229	7,740	12,458	6,788	10,805
Total exports, f.o.b.	74,210	96,747	102,477	120,548	168,015

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

1/ Unit values reported are implied by data on the total volume and value of exports.

**Table 24. Solomon Islands: Composition of Imports, 2001–07 1/**

	2001	2002	2003	2004	2005	2006	Est. 2007
(In thousands of U.S. dollars)							
Oil imports	14,352	11,200	11,709	23,350	42,905	54,449	56,760
Food imports	20,547	16,127	14,961	13,560	20,384	21,628	30,238
Beverages & tobacco	1,762	1,639	924	1,039	2,385	1,742	3,427
Plants, vehicles & transport equipment	10,102	8,513	8,588	8,874	13,843	20,964	27,032
Building & construction materials	4,278	3,531	7,201	6,467	7,969	8,285	12,471
Chemical	2,604	1,706	1,879	1,684	1,998	2,113	4,718
Other imports	28,192	21,937	22,285	30,226	54,401	74,326	105,335
Total imports (c.i.f.)	81,837	64,654	67,547	85,199	143,884	183,508	239,981
(In percent of total imports)							
Oil imports	17.5	17.3	17.3	27.4	29.8	29.7	23.7
Food imports	25.1	24.9	22.1	15.9	14.2	11.8	12.6
Beverages and tobacco	2.2	2.5	1.4	1.2	1.7	0.9	1.4
Plants, vehicles, and transport equipment	12.3	13.2	12.7	10.4	9.6	11.4	11.3
Building and construction materials	5.2	5.5	10.7	7.6	5.5	4.5	5.2
Chemical	3.2	2.6	2.8	2.0	1.4	1.2	2.0
Other imports	34.4	33.9	33.0	35.5	37.8	40.5	43.9

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

1/ Figures are based on foreign exchange transactions data from the CBSI.

**Table 25. Solomon Islands: Exports by Country of Destination, 2001–07**

(Percent of total)

	2001	2002	2003	2004	2005	2006	Est. 2007
Industrial countries	29.4	22.7	19.2	20.4	17.3	17.7	15.3
<i>Of which:</i>							
Japan	19.7	19.2	12.9	9.3	6.4	8.9	5.7
European Union	3.9	1.7	2.1	6.9	8.0	5.2	5.1
Australia	1.5	0.8	2.6	2.1	1.3	1.3	1.5
New Zealand	0.3	0.2	0.5	0.3	0.3	0.7	0.4
Other	4.0	0.8	1.2	1.9	1.3	1.5	2.6
Asia 1/	62.0	69.2	72.9	72.3	75.6	74.6	77.7
<i>Of which:</i>							
Korea	17.8	14.7	17.0	16.2	13.5	9.5	8.5
China	6.2	16.9	23.5	26.5	41.7	48.0	50.7
Philippines	8.5	9.4	7.9	4.6	4.6	4.2	3.8
Thailand	8.6	6.9	5.9	15.1	7.1	4.7	6.5
Singapore	1.1	3.7	5.3	2.8	1.5	1.3	0.5
Malaysia	1.5	2.2	1.9	1.0	1.3	1.3	2.7
Papua New Guinea	1.5	1.4	1.4	1.3	1.3	1.4	1.3
Other	16.8	14.0	10.0	4.8	4.7	4.3	3.8
Other countries	8.6	8.1	7.9	7.3	7.0	7.7	6.9

Source: IMF, Direction of Trade Statistics.

1/ Excluding Japan.

**Table 26. Solomon Islands: Imports by Country of Origin, 2001–07**

(Percent of total)

	2001	2002	2003	2004	2005	2006	Est. 2007
Industrial countries	47.0	42.8	39.1	41.1	39.5	45.0	40.3
<i>Of which:</i>							
Australia	28.9	31.4	27.4	24.7	26.2	25.5	26.6
Japan	3.6	2.3	2.8	3.8	3.8	7.8	4.7
New Zealand	4.9	5.0	4.6	7.8	4.7	5.1	4.5
United States	7.1	2.0	1.5	1.8	1.2	2.5	1.8
Other	2.4	2.1	2.8	3.1	3.6	4.2	2.6
Asia 1/	48.1	51.1	55.2	52.7	55.1	49.5	54.5
<i>Of which:</i>							
Singapore	18.4	19.7	20.7	23.2	25.7	23.5	28.7
China	1.0	1.2	1.7	2.1	2.7	2.2	3.4
Fiji	3.7	4.6	4.3	4.8	4.2	4.2	4.1
Papua New Guinea	3.6	4.5	4.1	4.7	4.1	4.1	4.0
Korea	0.5	0.8	0.7	0.8	1.3	0.4	0.4
Thailand	2.7	0.6	0.9	1.6	2.7	2.3	2.0
Malaysia	1.1	1.0	1.8	1.5	2.0	2.3	2.7
Other	17.0	18.6	21.0	14.0	12.4	10.3	9.2
Other countries	4.9	6.1	5.6	6.2	5.4	5.5	5.2

Source: IMF, *Direction of Trade Statistics*.

1/ Excluding Japan.

**Table 27. Solomon Islands: Services, Income, and Transfers, 2001–07**

(In millions of U.S. dollars)

	2001	2002	2003	2004	2005	2006	Est. 2007
Services and income	-3.9	-2.3	5.1	11.4	8.4	27.2	16.3
Nonfactor services (net)	-6.4	-0.4	6.0	7.7	6.9	23.0	20.5
Exports	24.7	16.7	21.2	30.4	36.3	53.1	73.3
Transportation	1.2	1.0	1.0	0.4	1.2	1.4	2.0
Travel	2.2	1.5	2.3	4.4	3.3	4.1	3.5
Communications	0.0	2.8	0.1	0.1	1.4	4.1	4.7
Financial services	7.9	0.1	0.9	1.2	0.6	0.5	0.0
Other	13.4	11.4	17.0	24.2	29.8	43.1	63.0
Imports	31.1	17.1	15.3	22.7	29.4	30.2	52.7
Transportation	3.3	3.8	3.1	6.0	8.7	9.9	17.3
Travel	6.5	4.3	4.4	4.4	4.7	4.1	7.7
Communications	1.6	1.8	2.2	1.6	1.9	1.7	2.0
Financial services	6.2	1.6	0.8	1.6	1.9	2.9	5.3
Other	13.5	5.6	4.6	9.1	12.2	11.7	20.5
Factor income (net)	2.5	-1.9	-0.9	3.7	1.6	4.3	-4.2
Credit	6.2	2.7	3.5	8.5	8.5	11.4	10.5
Official interest	1.1	0.5	0.7	2.5	3.1	4.4	6.8
Other	5.1	2.2	2.8	6.0	5.3	7.0	3.6
Debit	3.7	4.6	4.4	4.8	6.9	7.2	14.7
Official interest (accrual)	0.5	0.3	0.6	0.9	1.0	0.3	3.1
Other	3.2	4.3	3.8	3.9	5.9	6.8	11.5
Current transfers (net)	12.8	-5.5	9.1	38.1	4.1	16.1	44.0
Private sector	4.6	-11.0	0.0	13.8	-0.6	10.4	2.9
Receipts	24.0	15.9	18.4	37.1	35.0	50.2	39.3
Payments	19.3	27.0	18.4	23.3	35.6	39.7	36.4
Public sector	8.2	5.6	9.1	24.3	4.7	5.7	41.1
Receipts	10.0	7.3	10.6	26.3	7.1	7.3	42.8
Payments	1.9	1.7	1.6	2.0	2.4	1.6	1.7

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.



**Table 28. Solomon Islands: Medium- and Long-Term Government External Debt and Disbursements, 2001–07**

(In millions of U.S. dollars)

	2001	2002	2003	2004	2005	2006	Est. 2007
Total debt outstanding at year-end 1/	134.3	151.6	160.8	160.4	163.5	169.5	154.0
Total multilateral	87.9	89.8	96.7	100.1	94.0	100.8	105.8
Asian Development Bank	44.7	45.2	48.1	49.5	47.2	52.2	56.3
International Development Association	38.5	40.0	43.9	46.4	43.2	45.1	46.1
OPEC	1.9	1.8	1.6	1.1	1.0	0.8	0.6
International Fund for Agricultural Development	2.8	2.9	3.1	3.1	2.7	2.8	2.8
Total bilateral	30.5	42.3	41.9	37.0	35.2	33.9	32.7
European Community	5.8	6.2	7.3	5.1	6.0	6.4	6.6
European Investment Bank	3.0	3.3	3.9	2.4	1.4	1.4	1.4
United Kingdom	2.0	1.7	0.0	0.0	0.0	0.0	0.0
Kuwait	5.8	5.3	4.9	4.4	3.9	3.6	3.3
CDC	0.9	0.8	0.7	0.6	0.5	0.5	0.4
Taiwan Province of China	13.0	25.0	25.0	24.4	23.3	22.2	21.0
Commercial creditors	8.8	8.4	8.4	7.4	6.5	6.3	0.6
<i>Of which:</i>							
EFIC (Australia)	7.3	7.4	7.8	6.9	5.8	5.4	0.0
Klockner (Germany)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Marubeni (Hong Kong SAR)	1.5	1.1	0.6	0.2	0.0	0.0	0.0
Multichem (New Zealand)	0.0	0.0	0.0	0.3	0.3	0.3	0.2
Mark Barnes (USA)	0.0	0.0	0.0	0.0	0.1	0.1	0.0
McConnel Dowell (New Zealand)	0.0	0.0	0.0	0.0	0.3	0.6	0.3
Arrears	7.1	11.1	13.8	15.8	27.8	28.4	15.0
Total disbursements	13.0	12.0	3.1	0.3	6.0	6.9	8.2
Multilateral	0.0	0.0	3.1	0.3	6.0	5.3	8.2
Asian Development Bank	0.0	0.0	0.0	0.0	2.7	4.1	3.8
International Development Association	0.0	0.0	3.1	0.3	3.3	1.2	4.5
OPEC	0.0	0.0	0.0	0.0	0.0	0.0	0.0
International Fund for Agricultural Development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bilateral	13.0	12.0	0.0	0.0	0.0	1.1	0.0
European Community	0.0	0.0	0.0	0.0	0.0	0.0	0.0
European Investment Bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0
United Kingdom	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kuwait	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CDC	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Taiwan Province of China	13.0	12.0	0.0	0.0	0.0	1.1	0.0
Commercial creditors	0.0	0.0	0.0	0.0	0.0	0.5	0.0
EFIC (Australia)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Klockner (Germany)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Marubeni (Hong Kong SAR)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	...	...	...	...	...	0.5	0.0

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

1/ Includes arrears.

**Table 29. Solomon Islands: Medium- and Long-Term External Government Debt-Service Payments, 2001–07**

(Accrual basis; in millions of U.S. dollars)

	2001	2002	2003	2004	2005	2006	Est. 2007
Amortization	2.9	3.3	3.6	4.3	7.6	5.4	9.2
Total multilateral	1.3	1.4	2.1	2.4	2.2	2.4	2.5
Asian Development Bank	1.0	1.0	1.3	1.3	1.1	1.3	1.5
International Development Association	0.2	0.3	0.6	0.8	0.8	0.9	1.0
OPEC	0.0	0.0	0.2	0.2	0.2	0.2	0.0
International Fund for Agricultural Development	0.1	0.1	0.1	0.1	0.2	0.1	0.0
Total bilateral	1.2	1.5	1.1	1.5	2.3	2.0	4.2
European Community	0.1	0.3	0.4	0.4	0.2	0.5	0.0
European Investment Bank	0.1	0.1	0.1	0.1	0.3	0.4	0.0
United Kingdom	0.4	0.4	0.0	0.0	0.0	0.0	0.0
Kuwait	0.6	0.6	0.6	0.4	0.6	0.4	3.0
CDC	0.0	0.1	0.1	0.1	0.1	0.1	0.1
Taiwan Province of China	0.0	0.0	0.0	0.6	1.1	0.6	1.1
Commercial creditors	0.4	0.4	0.4	0.4	3.2	1.0	2.5
EFIC (Australia)	0.0	0.0	0.0	0.0	0.5	0.5	2.1
Klockner (Germany)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Marubeni (Hong Kong SAR)	0.4	0.4	0.4	0.4	2.6	0.0	0.0
Multichem (New Zealand)	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Mark Barnes (USA)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
McConnel Dowell (New Zealand)	0.0	0.0	0.0	0.0	0.0	0.4	0.3
Interest payments	2.2	2.5	2.7	2.6	2.5	2.1	3.3
Total multilateral	0.8	0.8	1.0	1.0	1.0	0.9	0.9
Asian Development Bank	0.4	0.5	0.6	0.6	0.5	0.5	0.5
International Development Association	0.3	0.3	0.3	0.3	0.3	0.3	0.3
OPEC	0.1	0.1	0.0	0.0	0.1	0.1	0.0
International Fund for Agricultural Development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total bilateral	0.9	1.3	1.3	1.3	1.3	1.0	2.4
European Community	0.0	0.1	0.1	0.1	0.0	0.1	0.0
European Investment Bank	0.1	0.1	0.1	0.1	0.0	0.0	0.0
United Kingdom	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Kuwait	0.2	0.2	0.2	0.2	0.3	0.4	1.6
CDC	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Taiwan Province of China	0.5	0.9	0.9	0.9	0.9	0.4	0.8
Commercial creditors	0.5	0.4	0.4	0.4	0.2	0.2	0.0
EFIC (Australia)	0.3	0.3	0.3	0.3	0.2	0.2	0.0
Klockner (Germany)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Marubeni (Hong Kong SAR)	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Multichem (New Zealand)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mark Barnes (USA)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
McConnel Dowell (New Zealand)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum items:							
Arrears	7.1	11.1	13.8	15.8	27.8	28.4	15.0
Principal	4.7	7.4	7.6	9.0	24.1	23.9	11.4
Interest	2.4	3.7	6.2	6.9	3.7	4.5	3.6

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

**Table 30. Solomon Islands: Medium- and Long-Term  
External Debt Indicators, 2001–07**

	2001	2002	2003	2004	2005	2006	Est. 2007
(Accrual basis; in millions of U.S. dollars)							
Total debt service	7.0	9.5	9.0	10.2	15.2	8.7	13.3
Amortization	4.1	3.8	4.4	5.9	8.1	5.7	9.9
Interest payments	2.9	5.7	4.6	4.3	7.1	3.0	3.4
Public sector	5.0	5.8	6.3	6.8	10.0	7.5	12.5
Amortization	2.9	3.3	3.6	4.3	7.5	5.4	9.2
Interest payments 1/	2.1	2.4	2.6	2.6	2.5	2.1	3.3
Private sector	2.1	3.7	2.8	3.4	5.2	1.2	0.8
Amortization	1.2	0.5	0.8	1.6	0.6	0.4	0.6
Interest payments	0.8	3.3	2.0	1.8	4.6	0.9	0.1
(Percent of exports of goods and nonfactor services)							
Total debt service	9.8	12.8	9.5	8.0	11.0	5.0	5.5
Amortization	5.7	5.1	4.7	4.6	5.9	3.3	4.1
Interest payments	4.1	7.7	4.8	3.4	5.1	1.7	1.4
Public sector	6.9	7.7	6.6	5.4	7.2	4.3	5.2
Amortization	4.0	4.5	3.8	3.3	5.4	3.1	3.8
Interest payments 1/	2.9	3.3	2.8	2.0	1.8	1.2	1.3
Private sector	2.9	5.0	2.9	2.6	3.8	0.7	0.3
Amortization	1.7	0.6	0.8	1.3	0.4	0.2	0.3
Interest payments	1.2	4.4	2.0	1.4	3.3	0.5	0.1
Memorandum items:							
Exports of goods and nonfactor services (in millions of U.S. dollars)	71.9	74.5	95.5	127.5	138.9	174.5	242.2
External government debt (percent of GDP) 2/	49.0	66.6	68.9	58.4	48.6	45.4	37.9
Implied interest rate on stock of external debt (percent)	1.5	1.6	1.6	1.6	1.5	1.3	2.1

Sources: Data provided by the Solomon Islands authorities; and Fund staff estimates.

1/ Excludes interest arrears.

2/ Includes external debt arrears.

**Table 31. Solomon Islands: Bilateral Exchange Rates, 2003–08**

(In Solomon Islands dollars; per unit of foreign currency, end of period)

	Australian Dollar	Japanese Yen 1/	New Zealand Dollar	U.S. Dollar	U.K. Pound Sterling	SDR
Annual averages						
2003	4.94	6.50	4.40	7.51	12.37	10.57
2004	5.51	6.95	4.97	7.49	13.72	11.11
2005	5.74	6.81	5.29	7.53	13.65	11.10
2006	5.76	6.54	4.95	7.60	14.09	11.22
2007	6.45	6.51	5.66	7.65	15.35	11.75
2005						
January	5.81	7.22	5.33	7.51	14.11	11.45
February	5.93	7.17	5.42	7.51	14.43	11.50
March	5.80	7.00	5.32	7.51	14.14	11.35
April	5.87	7.10	5.47	7.51	14.37	11.40
May	5.68	6.96	5.35	7.52	13.67	11.09
June	5.74	6.81	5.26	7.51	13.47	10.94
July	5.71	6.71	5.14	7.52	13.21	10.92
August	5.63	6.77	5.17	7.53	13.43	10.99
September	5.76	6.68	5.21	7.56	13.35	10.96
October	5.67	6.55	5.33	7.58	13.47	10.95
November	5.67	6.33	5.31	7.58	13.08	10.79
December	5.56	6.42	5.16	7.58	13.04	10.83
2006						
January	5.70	6.45	5.17	7.59	13.44	10.97
February	5.61	6.53	5.01	7.59	13.26	10.90
March	5.44	6.47	4.66	7.59	13.17	10.94
April	5.73	6.64	4.81	7.59	13.73	11.17
May	5.81	6.78	4.86	7.60	14.30	11.36
June	5.65	6.61	4.59	7.60	13.94	11.24
July	5.82	6.62	4.70	7.60	14.17	11.28
August	5.80	6.49	4.95	7.61	14.52	11.33
September	5.70	6.47	4.98	7.62	14.24	11.24
October	5.86	6.47	5.07	7.62	14.46	11.27
November	5.98	6.54	5.17	7.62	14.90	11.48
December	6.03	6.40	5.38	7.62	14.95	11.46
2007						
January	5.90	6.28	5.25	7.64	14.92	11.38
February	6.02	6.45	5.35	7.64	14.95	11.50
March	6.17	6.49	5.45	7.64	14.96	11.54
April	6.30	6.39	5.64	7.64	15.24	11.64
May	6.30	6.29	5.58	7.65	15.12	11.57
June	6.49	6.20	5.88	7.65	15.33	11.59
July	6.56	6.43	5.90	7.65	15.54	11.72
August	6.29	6.59	5.38	7.66	15.48	11.74
September	6.77	6.67	5.78	7.67	15.58	11.94
October	7.07	6.68	5.87	7.67	15.90	12.05
November	6.79	6.95	5.91	7.66	15.83	12.19
December	6.76	6.72	5.93	7.66	15.35	12.11
2008						
January	6.81	7.20	6.01	7.66	15.28	12.22
February	7.25	7.32	6.25	7.66	15.20	12.34
March	7.03	7.66	6.08	7.66	15.24	12.60
April	7.15	7.36	5.94	7.66	15.07	...
May	7.32	7.25	5.98	7.66	15.12	...
June	7.38	7.20	5.84	7.66	15.26	...

Sources: IMF, *International Financial Statistics*; and Fund staff estimates.

1/ Solomon Islands dollar per 100 yen.

**Table 32. Solomon Islands: Exchange Rate Indicators, 2003–08**

(Index: 2000=100)

		Real Effective Exchange Rate	Nominal Effective Exchange Rate	Relative Price Index 1/	Exchange Rate Index 2/
Annual averages					
2003		78.5	64.4	122.1	67.8
2004		77.1	60.3	128.1	68.0
2005		79.5	59.1	134.6	67.6
2006		85.5	58.5	146.2	66.9
2007		84.6	55.0	153.9	66.5
2003	I	80.6	67.1	120.2	68.0
	II	79.5	64.8	122.7	67.7
	III	78.4	64.2	122.2	67.7
	IV	75.7	61.4	123.4	67.8
2004	I	75.3	59.6	126.5	67.9
	II	78.5	61.5	127.7	68.1
	III	78.5	61.3	128.3	68.1
	IV	76.2	58.8	129.8	67.9
2005	I	75.4	57.9	130.3	67.8
	II	77.7	58.7	132.4	67.7
	III	82.2	59.6	138.1	67.6
	IV	82.8	60.2	137.8	67.2
2006	I	85.2	59.6	143.0	67.0
	II	85.4	58.7	145.5	67.0
	III	85.6	58.3	147.0	66.9
	IV	85.8	57.5	149.2	66.7
2007	I	86.6	56.9	152.2	66.6
	II	84.3	55.6	151.7	66.6
	III	83.4	54.7	152.4	66.4
	IV	84.2	52.9	159.5	66.4
2008	I	82.8	51.5	160.8	66.4

Source: IMF, *Information Notice System*.

1/ Consumer price index in the Solomon Islands relative to a weighted average of consumer price indices in major trading partners.

2/ U.S. dollar/Solomon Islands dollar exchange rate index.