



COOK ISLANDS STATISTICS OFFICE
GOVERNMENT OF THE COOK ISLANDS
STATISTICAL BULLETIN



Balance of Payments and IIP Statistics
2019

The current account balance resulted in a credit balance of \$190.1 million in 2019. Tourist revenue of \$345.8 million continued to increase in 2019 and is the major contributor to this surplus and offsetting the trade deficit of \$175.0 million. Out of the goods exports of \$18.3 million over 80.0 per cent consists of fuel supplied to visiting aircraft. The services credit totalled \$451.6 million and debit of \$112.2 million.

The primary income credit of \$35.3 million is mainly made up of fishing licenses and investment income associated with interest earned on deposits and debt securities held overseas. On the debit side, \$53.5 million is mostly in the form of reinvested earnings, dividends of foreign owned enterprises and \$12.7 million is mostly payment of Air New Zealand subsidy.

Secondary income on the credit side is mainly made up of official development assistance (ODA) of \$30.5 million, other revenues \$13.9 million is mostly from departure taxes paid by non-residents. Foreign workers' remittances transferred to families abroad make up the bulk of secondary income debit of \$4.2m followed by net insurance of \$4.1 million.

Capital account is essentially ODA financing infrastructure (capital) projects. The financial account shows \$149.1 million in financial assets with \$39.1 million in liabilities in 2019.

Net lending/borrowing (financial account) in 2018 was recorded at \$59.6 million and \$110.0 million in 2019 recording an increase of 84.4 per cent over the year.

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Explanatory Notes

The Balance of Payments (BOP) statistics consist of a series of accounts: goods, services, primary income, secondary income, capital and financial accounts. It summarizes international transactions that takes place between residents of the Cook Islands (people and local entities) and the rest of the world.

- Goods account (visible items) measures exports and imports on a free on board (f.o.b) basis at the port of export. These are visible goods measured through the Customs records.
- Services account called invisible items because services are not seen crossing the border. All types of services like services of shipping, banking, tourism, investment services and unilateral transfers are measured in services account.
- Primary Income account measures income earned by residents from non-residents and similarly earnings by non-residents from residents. Investment income is the major component consisting of income flows between direct investors in one country and direct investment enterprises in another country.
- Secondary income account measures income transfers, as distinct from earned income recorded in the primary income account, between CI residents and non-residents.
- Capital account measures capital transfers and the acquisition/disposal of non-produced, non-financial assets between residents of the Cook Islands and the rest of the world.
- Financial account records transactions involving Cook Islands claims on (assets), and liabilities to the rest of the world.

The International Investment Position (IIP) provides the measurement of the extent of foreign ownership while the Investment income account shows the return on that investment.

Data is currently produced in accordance with the sixth edition of the Balance of Payments and International Investment Position Manual.

Table 1: Balance of Payments Summary 2011-2019

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019
	(\$NZ million)								
CURRENT ACCOUNT									
GOODS ACCOUNT									
Exports (fob)	16.6	15.7	16.6	15.7	17.1	14.2	14.6	20.5	18.3
Imports (fob)	127.8	136.1	128.1	131.7	148.1	153.4	174.6	178.6	193.3
Goods balance	(111.2)	(120.4)	(111.5)	(116.1)	(130.9)	(139.1)	(160.0)	(158.1)	(175.0)
SERVICES ACCOUNT									
Services credit (r)	205.9	216.0	233.5	295.9	321.9	387.4	427.5	451.5	451.6
Services debit	76.6	71.4	80.7	84.4	87.2	100.0	101.7	109.2	112.2
Services balance (r)	129.4	144.6	152.7	211.5	234.7	287.4	325.7	342.3	339.4
Goods and Services balance (r)	18.2	24.2	41.3	95.5	103.8	148.3	165.7	184.3	164.4
PRIMARY INCOME									
Primary income credit	10.0	10.4	15.4	13.2	22.1	31.2	31.6	27.3	35.3
Primary income debit	32.7	37.4	39.4	36.2	29.9	37.1	45.9	57.0	53.5
Primary income balance	(22.8)	(27.1)	(24.0)	(23.0)	(7.8)	(5.9)	(14.3)	(29.7)	(18.2)
SECONDARY INCOME									
Secondary income credit	27.0	29.2	31.3	41.8	53.4	54.0	59.1	61.2	52.9
Secondary income debit	10.8	8.3	10.7	11.2	14.5	15.6	14.4	15.4	9.0
Secondary income balance	16.2	20.9	20.6	30.6	38.9	38.4	44.7	45.8	43.9
CURRENT ACCOUNT BALANCE	11.6	18.0	37.9	103.0	134.8	180.8	196.1	200.4	190.1
CAPITAL ACCOUNT									
Capital transactions credit	5.8	8.0	8.3	11.6	16.2	2.2	3.1	17.8	13.7
Capital transactions debit	-	-	-	-	-	-	-	-	-
CAPITAL ACCOUNT BALANCE	5.8	8.0	8.3	11.6	16.2	2.2	3.1	17.8	13.7
Net lending/borrowing (Current+Capital)	17.5	26.0	46.2	114.6	151.1	183.0	199.2	218.2	203.9
FINANCIAL ACCOUNT									
Net acquisition of assets	...	...	...	...	226.7	17.7	71.9	98.2	149.1
Net incurrence of liabilities	...	...	...	...	216.1	(35.2)	2.7	38.6	39.1
Net lending/borrowing (Financial account)	...	...	...	...	10.6	52.9	69.2	59.6	110.0
Net errors and omissions					140.4	130.1	130.0	158.5	93.9

Table 2: Balance of Payments Services and Income Account 2011 - 2019

Description		2011	2012	2013	2014	2015	2016	2017	2018	2019
		(\$NZ million)								
SERVICES AND INCOME ACCOUNT										
Services credit	(r)	205.9	216.0	233.5	295.9	321.9	387.4	427.5	451.5	451.6
Transportation	(r)	9.1	11.0	14.3	15.3	17.5	19.2	21.7	21.5	21.7
Travel	(r)	152.2	160.1	168.7	226.0	249.2	289.8	323.6	338.6	345.8
Other business services	(r)	42.6	43.0	49.2	53.7	54.4	77.2	81.1	90.5	82.8
Government n.e.i	(r)	2.0	1.9	1.3	0.8	0.7	1.3	1.0	1.0	1.2
Services debit		76.6	71.4	80.7	84.4	87.2	100.0	101.7	109.2	112.2
Transportation		30.4	24.1	30.9	30.9	26.1	34.1	34.4	36.9	45.6
Travel		27.2	27.6	28.2	28.6	30.0	31.0	31.3	33.7	32.0
Telecom, information & computers		9.0	9.7	10.4	11.2	12.4	14.7	15.0	17.0	17.0
Insurance services		2.1	1.6	2.4	2.5	2.7	2.9	3.1	3.3	1.3
Other business services		7.7	8.1	8.5	9.0	11.2	9.4	12.5	12.7	10.9
Government n.e.i		0.2	0.3	0.3	2.2	4.7	7.9	5.3	5.7	5.5
Primary income credit		10.0	10.4	15.4	13.2	22.1	31.2	31.6	27.3	35.3
Compensation of employees		0.5	0.5	0.6	0.6	0.6	0.7	0.6	0.6	0.8
Fishing licence fees		3.6	4.3	4.6	2.6	12.3	18.4	10.1	18.1	21.3
Investment income		5.9	5.6	10.3	10.1	9.2	12.1	20.8	8.6	13.2
Direct investment		0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Other investment		5.2	4.9	9.6	9.4	8.5	11.4	20.1	7.9	12.5
Primary income debit		32.7	37.4	39.4	36.2	29.9	37.1	45.9	57.0	53.5
Compensation of employees		2.2	2.4	2.5	2.6	2.7	2.8	2.7	2.8	2.8
Investment income		19.7	20.7	21.6	23.2	18.4	28.3	32.3	41.3	37.4
Direct investment		10.9	11.4	12.0	12.7	13.3	23.2	27.8	36.2	29.4
Other investment		8.9	9.3	9.6	10.6	5.1	5.0	4.5	5.1	7.9
Of which Official debt		8.0	8.3	8.5	9.3	3.7	3.7	3.4	3.4	3.2
Other primary income		10.7	14.3	15.3	10.4	8.8	6.1	10.9	12.5	12.7
Secondary income credit		27.0	29.2	31.3	41.8	53.4	54.0	59.1	61.2	53.9
International development assistance		12.4	14.9	15.4	19.0	34.8	34.4	33.6	37.6	30.5
Other general government revenue		5.7	6.1	6.2	12.6	8.0	8.3	13.9	11.7	13.9
Insurance claims		3.3	2.4	3.8	4.0	4.3	4.8	5.2	5.4	2.0
Other sectors - personal		5.6	5.8	6.0	6.1	6.3	6.4	6.4	6.4	7.4
Secondary income debit		10.8	8.3	10.7	11.2	14.5	15.6	14.4	15.4	9.0
General government		1.9	0.7	0.6	0.6	0.7	0.6	0.7	1.1	0.7
Insurance net premiums		6.5	5.1	7.4	7.8	8.4	9.0	9.6	10.1	4.1
Private remittances		2.5	2.6	2.7	2.8	5.5	6.0	4.0	4.1	4.2

Table 3: Balance of Payments Financial account & IIP 2015 - 2019

	2015	2016	2017	2018	2019
	(\$NZ million)				
Financial account	10.6	52.9	69.2	59.6	110.0
Claims on non residents	226.7	17.7	71.9	98.2	149.1
Direct investment abroad	0.3	0.5	0.5	0.5	0.5
Claims on direct investors	(0.3)	0.8	0.3	0.8	(2.9)
Other investment	226.7	16.5	71.1	96.9	151.5
Liabilities to non residents	216.1	(35.2)	2.7	38.6	39.1
Direct investment in Cook islands	7.8	15.0	2.7	16.7	13.0
Other investment	208.3	(50.2)	(0.0)	21.9	26.1
Crown borrowings	14.6	(10.2)	2.1	(1.9)	(3.1)
Other	193.8	(40.0)	(2.1)	23.8	29.2
International Investment Position (Net)	32.0	84.5	153.0	176.3	291.4
Claims on non residents	702.3	720.0	791.9	891.2	1,043.4
Direct investment abroad	17.4	17.9	18.4	18.8	19.3
Claims on direct investors	1.6	2.4	2.7	4.7	4.1
Other investment	683.3	699.7	770.8	867.7	1,020.0
Liabilities to non residents	670.3	635.5	638.9	714.8	751.9
Direct investment in Cook islands	89.3	104.6	108.1	161.1	169.7
Other investment	581.0	530.8	530.8	553.8	582.3
Crown borrowings	109.0	98.8	100.8	98.9	95.9
Other	472.0	432.1	429.9	454.8	486.4
Reconciliation statement					
Claims on non residents					
Opening level of investment	475.6	702.3	720.0	791.9	891.2
Transactions	226.7	17.7	71.9	98.2	149.1
Other changes	0.0	(0.0)	(0.0)	1.1	3.1
Closing level of investment	702.3	720.0	791.9	891.2	1,043.4
Liabilities to non residents					
Opening level of investment	455.1	670.3	635.5	638.9	714.8
Transactions	216.1	(35.2)	2.7	38.6	39.1
Other changes	(0.8)	0.3	0.8	37.3	(2.0)
Closing level of investment	670.3	635.5	638.9	714.8	751.9

Balance of Payments 2011-2019

