

Introduction

Papua New Guinea is a country in Oceania, occupying the eastern half of the island New Guinea and numerous offshore islands. Papua New Guinea borders the Coral Sea, the Southern Pacific Ocean, and Indonesia. The country's geography is diverse. A spine of mountains, the New Guinea Highlands, run the length of the island forming a region covered with



dense rainforests. The government system is a constitutional parliamentary democracy and a Commonwealth realm; the chief of state is the queen of the United Kingdom, and the head of government is the prime minister. Although much of the population relies on subsistence farming, Papua New Guinea has a mixed economy in which a lack of a market economy has resulted in state monopolies in some sectors of the economy. Papua New Guinea is a member of the Asia-Pacific Economic Cooperation (APEC).



Location: Oceania, Melanesia

Capital City: Port Moresby (+10 GMT)

Chief of State: Queen Elizabeth II represented by Governor General Bob Dadae

Head of Govt.: Prime Minister Peter O'Neill

Currency: Kina (PGK)

Major Languages: <p>Tok Pisin (official), English (official), Hiri Motu (official), some 836 indigenous languages spoken (about 12% of the world's total)</p>

Primary Religions: <p>Roman Catholic 27%, Protestant 69.4% (Evangelical Lutheran 19.5%, United Church 11.5%, Seventh-Day Adventist 10%, Pentecostal 8.6%, Evangelical Alliance 5.2%, Anglican 3.2%, Baptist 2.5%, other Protestant 8.9%), Baha' 0.3%, indigenous beliefs and other 3.3%</p>

Calling Code: 675

Voltage: 240

Key Websites

Main Government Page: parliament.gov.pg

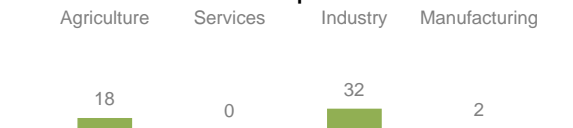
Export Promotion Agency: ipa.gov.pg

Investment Promotion Agency: ipa.gov.pg

Key Economic Facts

Income Level (by per capita GNI):	Lower Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$34.63 billion (2017)
GDP growth (annual %):	2.20% (2017)
GDP per capita, PPP (current international \$):	\$4,197.31 (2017)
External debt stocks, total (DOD, current US\$):	\$17,366,722,023.60 (2017)
Manufacturing, value added (% of GDP):	2.14% (2014)
Current account balance (BoP, current US\$):	\$5.18 billion (2016)
Inflation, consumer prices (annual %):	6.67% (2016)
Labor force, total:	3,695,703 (2017)
Unemployment, total (% of total labor force) (modeled ILO estimate):	2.66% (2017)
Imports of goods and services (current US\$):	\$7.49 billion (2012)
Exports of goods and services (current US\$):	\$7.98 billion (2012)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	135 / 178
Index of Economic Freedom	125 / 180
International Logistics Performance Index (LPI)	148 / 160
Inward FDI Potential Index	116 / 139
KOF Index of Globalization	137 / 185
Open Budget Index	45 / 115

Risk Assessment (Provided by Coface)

Country rating: B - Political and economic uncertainties and an occasionally difficult business environment can affect corporate payment behavior. Corporate default probability is appreciable.

Business Climate rating: C - The business environment is difficult. Corporate financial information is often unavailable and when available often unreliable. Debt collection is unpredictable. The institutional framework has many troublesome weaknesses. Intercompany transactions run major risks in the difficult environments rated C.

Strengths

- Abundant natural resources: minerals (copper, gold, nickel, cobalt), hydrocarbons (oil, gas), and raw materials (wood, coffee, cocoa, palm oil)
- Construction of liquefied natural gas production units
- Foreign investment in raw materials sector
- Financial support of multilateral institutions

Weaknesses

- Highly exposed to natural disasters
- Poor infrastructure network
- Low literacy rate
- Lack of skilled workforce
- Significant governance shortcomings
- Rapid growth of private sector external debt

U.S. Embassy

U.S. Embassy Port Moresby
P.O. Box 1492
Port Moresby
Papua New Guinea

<https://pg.usembassy.gov>