



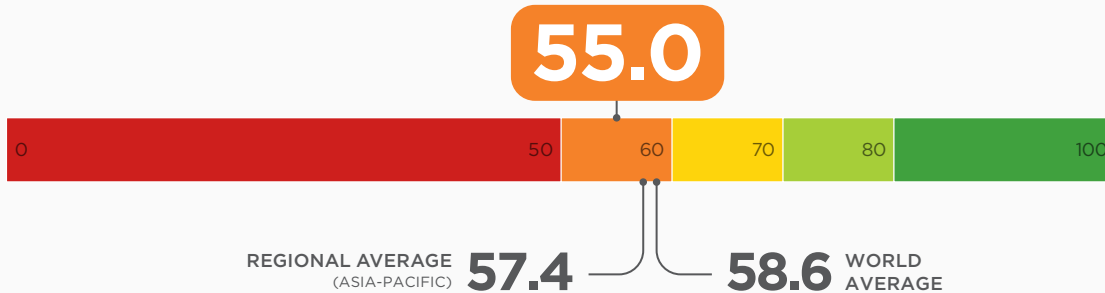
WORLD RANK: **114** | REGIONAL RANK: **24**  
 ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

# SOLOMON ISLANDS

The Solomon Islands' economic freedom score is 55, making its economy the 114th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 1.9 points from last year, and the Solomon Islands is ranked 24th out of 39 countries in the Asia-Pacific region. The country's economic freedom score is lower than the world and regional averages. The Solomon Islands' economy is considered "mostly unfree" according to the 2024 *Index*.

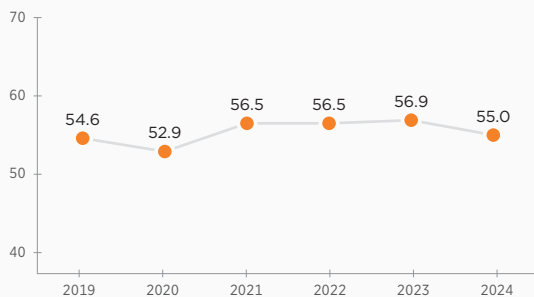
Economic dynamism and development remain stifled by deficiencies that include public-sector inefficiency and poor governance. Underdeveloped legal and physical infrastructure discourages the emergence of a vibrant private sector. Implementation of a simplified registration process has marginally improved the business environment. Uneven enforcement of existing laws continues to undermine the regulatory process. The labor market is underdeveloped. Despite abundant timber and undeveloped mineral resources, much of the population depends on subsistence farming, fishing, and artisanal forestry.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 2009): +9.0

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
0.7 million

**GDP (PPP):**  
\$1.7 billion  
-4.1% growth in 2022  
5-year average growth rate: -0.7%  
\$2,325 per capita

**UNEMPLOYMENT:**  
1.0%

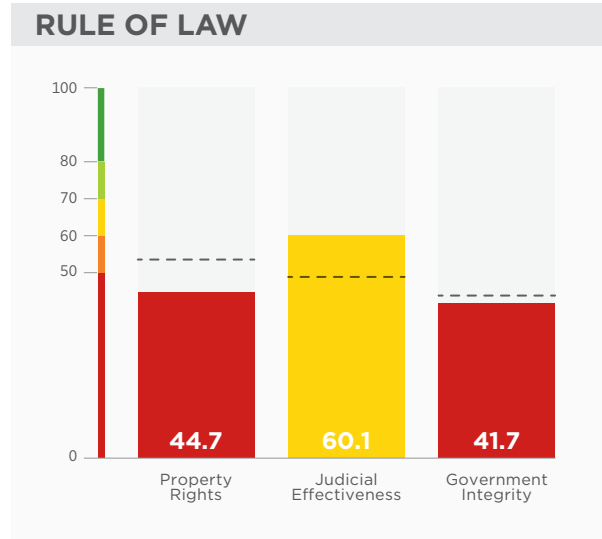
**INFLATION (CPI):**  
5.5%

**FDI INFLOW:**  
\$41.0 million

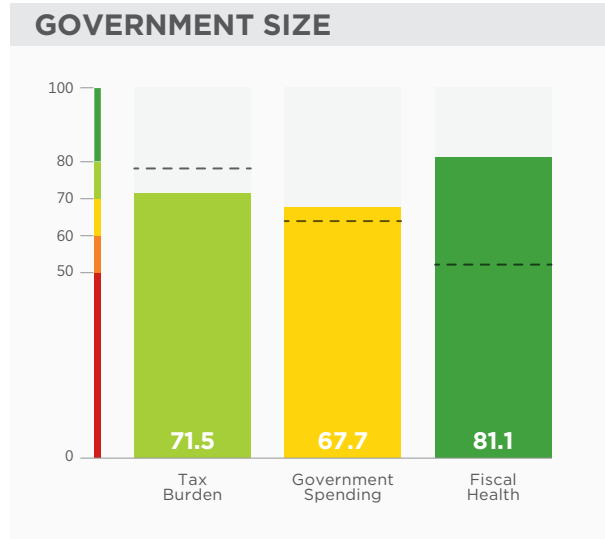
**PUBLIC DEBT:**  
16.9% of GDP

2022 data unless otherwise noted. Data compiled as of October 2023.

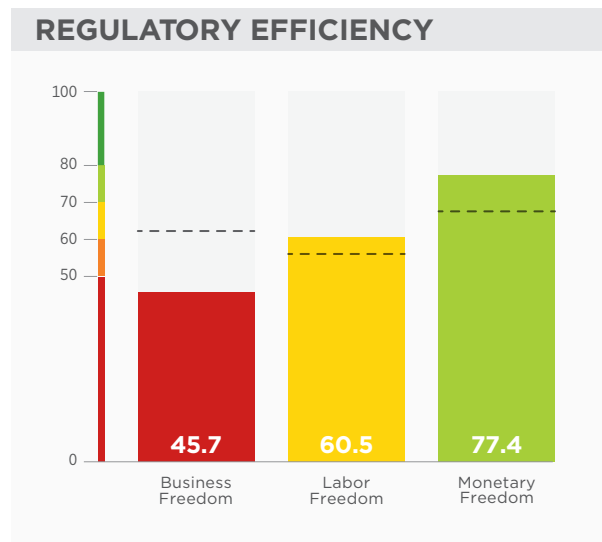
# 12 ECONOMIC FREEDOMS | SOLOMON ISLANDS



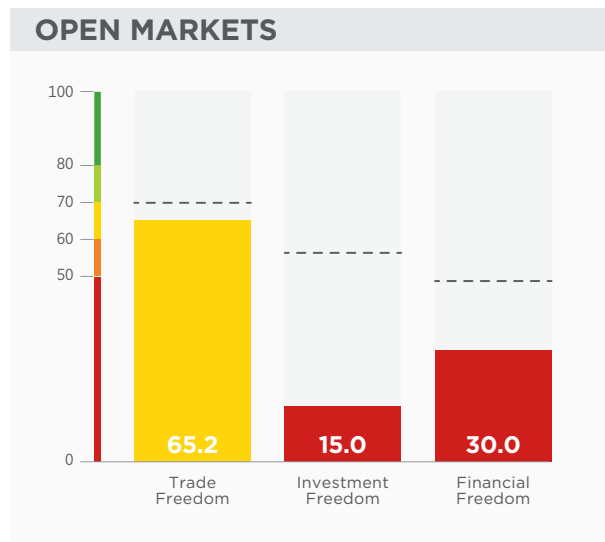
The overall rule of law is weak in the Solomon Islands. The country's property rights score is below the world average; its judicial effectiveness score is above the world average; and its government integrity score is below the world average.



The top individual income tax rate is 40 percent, and the top corporate tax rate is 30 percent. The tax burden equals 18.6 percent of GDP. Three-year government spending and budget balance averages are, respectively, 32.8 percent and -3.4 percent of GDP. Public debt amounts to 16.9 percent of GDP.



The Solomon Islands' overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is far below the world average; its labor freedom score is above the world average; and its monetary freedom score is well above the world average.



The trade-weighted average tariff is 9.9 percent, and extensive layers of nontariff barriers further limit trade freedom. Investment laws are outmoded, and bureaucracy is slow and inefficient. Banking dominates the underdeveloped financial sector, and access to credit remains limited.