



GOVERNMENT OF THE REPUBLIC OF VANUATU

NATIONAL TRADE DEVELOPMENT COMMITTEE

GOUVERNEMENT DE LA REPUBLIQUE DU VANUATU

COMITÉ NATIONAL DU DÉVELOPPEMENT DU COMMERCE

NTDC 05 - 01/2018

NATIONAL TRADE DEVELOPMENT COMMITTEE

11 April 2018

Melanesian Hotel, Port Vila

TRADE POLICY FRAMEWORK IMPLEMENTATION MATRIX STATUS REPORT

This paper provides an update on the implementation of Vanuatu's Trade Policy Framework.



PURPOSE

1. This paper provides an update on the implementation of Vanuatu's Trade Policy Framework (TPF), by way of its Implementation Matrix (TPFIM). The National Trade Development Committee (NTDC) is expected to note progress on trade policy.

BACKGROUND

2. The NTDC Meeting 01/2013 agreed that a TPFIM Status Report (TPFIMSR) would be circulated in advance of each NTDC meeting. TPFIMSRs have been presented at all subsequent NTDC meetings.
3. The TPFIM was endorsed by the Council of Ministers (COM) with Decision 53/2014 in April 2014.
4. The TPFIMSR 3/2017 is based on information collected by the NTDC Secretariat in November 2017 and is attached as Annex 1 to this paper. The matrix provides a comprehensive review of status of Vanuatu's trade policy, and represents a useful tool to improve inter-agency coordination and governance.

ISSUES

5. Table 1 below shows the response rate for the TPFIM updates since the first update for the NTDC 2/2013. For this update, the response rate has decreased to 74 percent compared to the 90 percent from the previous report in November 2017. This drastic decrease in the response rate calls for lead agencies to cooperate with the Secretariat to improve the reporting on the TPFIM. The response rate should however still be improved.

TABLE 1

RESPONSE RATE TPFIM

NTDC Meeting	Response
NTDC 2/2013	81% (55/68)
NTDC 3/2013	71% (48/68)
NTDC 1/2014	82% (56/68)
NTDC 2/2014	94% (64/68)



NTDC 3/2014	96% (65/68)
NTDC 1/2015	94% (64/68)
NTDC 2/2015	89% (61/68)
NTDC 3/2015	84% (57/68)
NTDC 1/2016	75% (51/68)
NTDC 2/2016	67% (46/68)
NTDC 3/2016	88% (60/68)
NTDC 1/2017	93% (63/68)
NTDC 2/2017	91% (62/68)
NTDC 3/2017	90% (61/68)
NTDC 1/2018	74% (50/68)

Source: TPFIMSR 1/2018 and Annex 1 TPFIMSR 1/2018

6. The qualitative nature of the majority of output indicators calls for a method to judge the overall progress for implementation of the TPF. To do this, the NTDC Secretariat in dialogue with the leading agency for each recommendation, assigns a status as: ‘On track’ (Green), ‘Slightly off track’ (Yellow), or ‘Off track’ (Red). This method cannot capture subtle changes to the implementation status but it can nonetheless provide a useful overall indication on trade policy implementation over the medium-term.

7. Table 2 below shows the implementation status for the five types of recommendations in the TPF.

TABLE 2

STATUS TPFIM RECOMMENDATIONS APRIL 2018

TYPE	GREEN	%	YELLOW	%	RED	%	N/A
Overarching	1	50	1	50	0	0	0
Sector-specific	10	45	10	45	2	9	0
Breaking barriers to trade	15	44	15	44	4	12	0

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Aid for Trade effectiveness	1	50	1	50	0	0	1
Trade negotiations	5	83	1	17	0	0	0
TOTAL (No.)	33		27		6		1
TOTAL (%)	49		40		9		..

Source: Annex 1 (TPFIMSR 1/2018)

Note: Green - On track; Yellow - Slightly off track; Red - Off track; and N/A - Information not provided by the leading agency. To calculate the percentages of each colour we exclude the recommendation no longer updated.

8. Since the last NTDC Meeting on 24 November 2017, there has been developments but not substantial enough to trigger a change in status. Important recent progress is however described briefly in the following paragraphs.
9. The Seafront Management Plan, with assistance and support from VSTAP and TDD, under Ministry of Tourism VTIP Management Committee, was completed in Feb 2018. A new Management Committee is being established under the Ministry of Internal Affairs, to implement this Seafront Management Plan.
10. VTO conducted another successful annual TOKTOK Noumea in March 2018. Over 45 retail travel agents were trained across two set of breakfast seminars and had 18 local supplier attended Toktok annual networking functions along with 87 retail travel agents along with wholesalers and the main Noumea media outlets
11. The Port Vila Lapetasi International multi-purpose wharf development project was completed and handed over to the Vanuatu Government on 9 February this year. The completion percentages of works on site include; Administration building, utility shed, workshop building, container freight station and refuelling station which are 100% complete; Exterior works 100%; Reefer Tower 100%, and Gate house 100%.
12. Lastly, it is to be noted that most of the Decisions and recommendations in this Trade Policy Framework matrix have been achieved depicting progress in terms of Trade policies since 2012 and the TPF is due to be reviewed this year 2018.



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RECOMMENDATIONS

13. It is recommended that the NTDC:

- i. **Notes** the Trade Policy Framework Implementation Matrix Status Report 1/2018 (TPFIMSR 1/2018); and
- ii. **Welcomes** the progress in implementing the Vanuatu Trade Policy Framework.



ANNEX 1: TPF IMPLEMENTATION MATRIX 04_NTDC_01/2018

No	TPF Recommendation	Lead Agency	Timeframe	Output Indicator	Update	Status																														
	OVERARCHING																																			
1	Increasing export competitiveness represents the key strategy to boost Vanuatu's development	Department of Strategic Planning, Policy, and Aid Coordination (PMO)	Ongoing <i>annual reporting</i>	<ul style="list-style-type: none"> Increase in the contribution of goods and services exports to GDP growth (see Note 1a) Increase in total export values and in the value of each component - primary, secondary, and tertiary sector (see Note 1b) 	<ul style="list-style-type: none"> Contribution of goods and services exports to GDP growth Total export values of goods and services in current VUV million <table border="1"> <thead> <tr> <th>Year</th> <th>Goods</th> <th>Services</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>6%</td> <td>40%</td> </tr> <tr> <td>2011</td> <td>7%</td> <td>39%</td> </tr> <tr> <td>2012</td> <td>8%</td> <td>41%</td> </tr> <tr> <td>2013</td> <td>5%</td> <td>41%</td> </tr> <tr> <td>2014</td> <td>8%</td> <td>41%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Year</th> <th>Goods</th> <th>Services</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>4,039</td> <td>26,093</td> </tr> <tr> <td>2010</td> <td>4,480</td> <td>26,733</td> </tr> <tr> <td>2011</td> <td>6,012</td> <td>25,302</td> </tr> </tbody> </table>	Year	Goods	Services	2010	6%	40%	2011	7%	39%	2012	8%	41%	2013	5%	41%	2014	8%	41%	Year	Goods	Services	2009	4,039	26,093	2010	4,480	26,733	2011	6,012	25,302	04/18
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2012	5,072	27,941
2013	3,653	33,399
2014	6,100	32,396
2015		30,926

Exports, percentage growth

Year	Goods	Services
2010	11%	2%
2011	34%	-4%
2012	-16%	17%
2013	-28%	5%
2014	67%	2%
Average	10.9%	5.6%

NOTE: GDP data and merchandise exports data are sourced from VNSO, National Accounts 2013 (latest release of National Accounts); data for export of services are sourced from RBV. All series are in current prices. The NTDC Secretariat has requested to receive preliminary data for 2015 from the VNSO, but has been advised that they are not available yet.



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2	Re-establish a prudent (anti-cyclical) fiscal policy and improve coordination with monetary policy	Department of Finance and Treasury (MFEM) and Reserve Bank of Vanuatu	Ongoing <i>annual reporting</i>	<ul style="list-style-type: none"> i. Fiscal deficit as a percentage of GDP is kept below 5% over the economic cycle (see Note 2a) ii. Public debt as a percentage of GDP is kept below 40% (see Note 2b) iii. Inflation is kept below 4% iv. Monetary financing falls within RBV legal limits: <ul style="list-style-type: none"> o VUV 400 million overdraft; and 20% of government bonds held by RBV v. e) A macro-economic policy is drafted and endorsed by COM by 2013 	<ul style="list-style-type: none"> i. Fiscal surplus as a percentage of GDP remains unchanged in 2017 at 1.1 per cent for the central government, excluding donor financed spending [surplus of 2.5% if we include donor grants] ii. Public debt also remains unchanged for both 2016 and 2017 at 37.7% of GDP. iii. Annualised Inflation of 2.1% (2016-2017) iv. Monetary financing VUV 100 million overdraft. <ul style="list-style-type: none"> o Overnight overdraft, short-term and long-term government debt instruments held by the RBV amounted to 15.83% as at the 2nd October 2017. v. MFEM is not pursuing this objective at the moment. 	04/18															
SECTOR-SPECIFIC																					
3	Expand production for commodities where the country enjoys a comparative advantage to provide job opportunities and support Vanuatu's truly infant industries	MALFFB to lead Vanuatu Chamber of Agriculture to support	Ongoing <i>annual reporting</i>	<ul style="list-style-type: none"> i. Market volumes for locally produced agriculture, livestock, forestry and fisheries products increase ii. Increase in GDP at constant prices for primary sector and each of its components - agriculture, livestock, forestry, and fisheries (See Note 3) 	<ul style="list-style-type: none"> i. N/A ii. AGRICULTURE: Real value and share of GDP <table border="1" data-bbox="1064 1098 2040 1385"> <thead> <tr> <th>Year</th> <th>Value</th> <th>Share of GDP</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>8,874</td> <td>15.5%</td> </tr> <tr> <td>2011</td> <td>9,405</td> <td>16.3%</td> </tr> <tr> <td>2012</td> <td>9,390</td> <td>16.0%</td> </tr> <tr> <td>2013</td> <td>9,714</td> <td>16.2%</td> </tr> </tbody> </table>	Year	Value	Share of GDP	2010	8,874	15.5%	2011	9,405	16.3%	2012	9,390	16.0%	2013	9,714	16.2%	04/18
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					2014	9,899	15.9%																		
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4	Draft a comprehensive Fishery Policy	Department of Fisheries (MALFFB)	2013	<ul style="list-style-type: none"> i. A Fisheries Sectoral Plan/Strategy is finalised and approved by COM by 2013 ii. The Fisheries Sectoral Plan/Strategy recommends policy options to achieve key Departmental priorities, including: <ul style="list-style-type: none"> a) Increase production, most notably for aquaculture (monitored at recommendation No. 3) 	<ul style="list-style-type: none"> i. Draft national Fisheries Policy completed and finalized for signing in December 2016. National Fisheries Policy has been approved and is currently being implemented. ii. The fisheries aspirations for development through the fisheries sector policy sets out the implementation framework for sustainable conservation, management and development of fisheries and aquaculture. It focuses on improving: <ul style="list-style-type: none"> -Fisheries governance, sustainable and economically viable fisheries and aquaculture. 	04/18																		



			<p>b) Increase processing capacity (processing plant) for export purposes</p> <p>c) Better compliance with international obligations for vessels fishing in international waters to safeguards government revenues</p>	<p><i>-Access to finance, improved infrastructures, market access, seafood safety and value adding.</i></p> <p><i>- Sustainable growth, employment, food security and livelihood. It recognises and promotes gender equality, vulnerable participation of members; strengthen partnerships through collaboration and networking.</i></p> <p>INCREASE PRODUCTION FOOD AND NUTRITION SECURITY AND NCD ALLEVIATION</p> <p>a) Increase production of seafood at the national level</p> <p>i) Wild harvest of resources</p> <ul style="list-style-type: none"> • Continuity of successful establishment and implementation of fish markets and fishermen’s association in the rural areas in different provinces and our two towns, Luganville and Port Vila to enhance increase availability of fish for domestic consumption. • Fish market construction located at cooperative federation in Port Vila is underway and soon be complete before end of this year. • Solar freezers and FADs deployment through number of projects to help fishers in rural communities to increase quality production of fish that is safe for consumption. The projects implemented by the fisheries department and other partners have been successfully carried out in mostly TAFEFA, SHEFA, MALAMPA, SANMA, PENAMA and TORBA Province. The communities enjoy direct benefits from the outcomes of the projects and continue to manage the progress. • Increase awareness, trainings to rural communities on construction and deployment of Fish Aggregating Devices (FADs). Fishing practices on FADs are still yet to be undertaken in some targeted sites like TAFEFA, SHEFA, MALAMPA and SANMA province and untargeted sites like PENAMA and TORBA province. (TC PAM Rehabilitation program) • Improvement of data collection training is ongoing in rural communities with assistance from SPC with the TAILS application. • Fisheries Authorised Officers and monitors in rural areas are handed with tablets to electronically record data and submit to the Fisheries department. The outcome for the first 19 targeted sites from February 2017 to June 2017 was a big change in the data collected as fish caught can be monitored at the community level before it hits the markets in towns. • Ongoing monitoring in Port Vila main market, shops and roadside markets is a challenge as the need to make sure the data is captured and the quality of fish is maintained. Fisheries Officers strategically undertake a MCS training workshop conducted by SPC and MPI to minimise the challenges and perform monitoring effectively. • Licensed fishermen who own boats and engage in fishing or related fishing activities are encouraged to submit their catch data back to the fisheries department. To date, Data can be received daily or weekly through the TAILS program. 	
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					<p>ii) Aquaculture (Farming)</p> <ul style="list-style-type: none"> • A number of products had been developed from aquaculture to support seafood production. • Aquaculture farming practices for different aquaculture products are carried out in some islands and communities. The outcome was superb as more aquaculture farmers were established in rural communities. • Trainings and awareness on aquaculture activities throughout interested communities is still ongoing. • Ongoing assessment on reefs to do-away with crown-of-thorns starfish (COTs) is a major activity to help communities protecting their reefs and thus the resources inhabiting these reefs. • A number of conservation areas or MPAs through the aquaculture programmes are being supported and established to increase production in future. • Fries and feeds were also given out for parties who need it at affordable prices. <p>iii) Improve access to sufficient and safe seafood</p> <ul style="list-style-type: none"> • Through awareness and research, people are encouraged to increase consumption of seafood to help reduce risk of NCDs. 3 training awareness have been carried out since July in Shefa province (Van 2017), Malampa Province (Malekula) and Torres Islands (all 5 islands, Hiu, Metoma, Tegua, Loh and Toga). • The Seafood Verification Agency only has standards for exporting seafood. The current national minimum qualification standard for seafood is being developed and is yet in its first draft stage. • Trainings and awareness on fish processing methods and fish handling techniques for hygienic matters has been an ongoing programme for the Seafood Verification Agency (SVA) • SINOVAN processing company is up and running with offloading undertaken monthly. The work is progressing slowly for the processing plant. • Strengthen fishermen’s association networking by engaging them in workshops and trainings. • Licensed all fishing boats to sustain all fishing activities and production of fish from capture at all levels of operation. • Limit licenses to investors • Encourage locals to be voluntarily obedient to protect and care for their resources. Result in conservation areas (taboos), MPAs, are being set up in different communities. <p>b) INCREASE PROCESSING CAPACITY</p> <ul style="list-style-type: none"> • The port Vila fish market building is completed but the interior equipment such as benches and tables etc. are not yet installed. Fisheries Department is responsible for funding the building and Cooperative Department is 	
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					<p>responsible for installing the interior market equipment.</p> <ul style="list-style-type: none"> • Train all workers in the fisheries sector to maintain the required skills in the fishing industry • Strengthen fisheries stakeholders participation in fisheries development at different sector • Facilitating the completion of SINO-VAN processing plant • Continue to facilitate investment in the fisheries sector through Vanuatu Investment Promotion Authority • Training of fishers associations and encourage cooperation of all fishers • A lot of activities in aquaculture that had increase the capacity of people and involvement in the industry such as Community participation in fish farming and pond construction. • Training on fishing programs through FADs development, deployment. There are 10 FAD trainings, construction and deployment since July 2017. • Assist communities with fishing gears that are friendly. In implementing this, the Fisheries department has assisted these following communities; Whole of Tafea Province, Erromango, Aniwa, Futuna, Waisisi, Port Resolution, Aneityum. Shefa Province, Emae, South Epi, Tongoa. Malampa, Paama, Graig Cove and South West Bay. Penama, Melsisi. Sanma, Hog Harbour and Tasiriki. Torba, Hiu, Motalava, Vanua lava. <p>c) BETTER COMPLIANCE WITH INTERNATIONAL OBLIGATIONS FOR VESSELS FISHING IN INTERNATIONAL WATERS TO SAFEGUARD GOVERNMENT REVENUES</p> <ul style="list-style-type: none"> • Compliance to or with obligations is an ongoing activity. • Prevention of Illegal Unreported and Unregulated fishing –Fisheries Surveillance Patrol by RVS Tukoro with help from neighbouring and aerial surveillance • Penalties are imposed for illegal activities. There are observers on fishing vessels that monitor activities at real time and VMS systems that monitor fishing vessels. Operations and inspections are run on ground and authorized officers are located in communities and provincial governments together with chiefs that help to ensure compliance is tracked down. At present, there are spot fines that are being imposed and penalty notice issuance when illegal activity(s) have been observed on ground during operations. • Assistance and support from FFA and SPC with compliance to international vessels to gain government revenues. • Policies and Regulations to support compliance are drafted – crewing regulation is still on draft. • Trainings and workshops on monitoring, control and surveillance to assist in compliance as part of obligations by FFA, SPC, MPI, and NZ. The first phase of the training was in June 2017 in Port Vila, while the second phase was in September in Port Vila and Santo, and the last Phase will be in February 2018. • The outcome of the workshops resulted in a first coastal MCS patrol around Efate Island undertaken by Police Maritime Wing with Fisheries Department in Tororua on 25th Sept 2017. 	
5	Support truly infant industries	Department of Industry	Ongoing	i. Sale values for locally produced manufactures increase (see note 4)	i. N/A	04/18



	<p>including through performance-based import-substitution</p>	<p>(MTTCNVB) to lead</p> <p>Vanuatu Chamber of Commerce and Industry (VCCI) to support</p>	<p>annual reporting</p>	<p>ii. Export values for locally produced manufactures (sourced by VNSO/WITS) increase</p> <p>iii. GDP at constant prices (sourced by VNSO) for manufacturing increases.</p>	<p>ii. N/A</p> <p>iii. GDP for manufacturing decreased over the past 4 year, both in absolute value and as share of GDP.</p> <table border="1" data-bbox="1137 584 1962 943"> <thead> <tr> <th>Year</th> <th>Value</th> <th>Share of GDP</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>2,223</td> <td>3.9%</td> </tr> <tr> <td>2011</td> <td>2,031</td> <td>3.5%</td> </tr> <tr> <td>2012</td> <td>1,751</td> <td>3.0%</td> </tr> <tr> <td>2013</td> <td>1,642</td> <td>2.7%</td> </tr> <tr> <td>2014</td> <td>1,714</td> <td>2.8%</td> </tr> </tbody> </table> <p><i>NOTE: All numbers except for 2014 are from VNSO's National Accounts 2013 (latest release of National Accounts). For 2014 the statistics is sourced from the GDP Forecast (of October 2014) included in the National Budget 2015. The statistics are in constant prices with 2006 as the base year. The NTDC Secretariat has requested to receive preliminary data for 2015 from the VNSO, but has been advised that they are not available yet.</i></p>	Year	Value	Share of GDP	2010	2,223	3.9%	2011	2,031	3.5%	2012	1,751	3.0%	2013	1,642	2.7%	2014	1,714	2.8%	
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<p>6</p>	<p>Draft an Overarching Services Framework to increase exports in areas of comparative advantage such as tourism, labour</p>	<p>Department of Strategic Planning Policy and Aid Coordination (PMO) to lead</p>	<p>2013</p>	<p>i. An Overarching Services Framework is finalised and approved by the COM by 2013</p>	<p>i. The Department of Industry with support from the Trade Development Division has been granted support from the Governance for Growth Programme to review the National Industry Policy (NIP). A TOR has been developed for consultants to review the NIP. And currently requesting funding for the review.</p>	<p>04/18</p>																		



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	mobility, banking, telecommunications, business, and environmental services (including carbon trading)	MTTCNVB to support					
7	To further develop tourism exports:						
7a	boost training for reserved tourism activities	Department of Tourism (MTTCNVB) to lead Department of Youth Development Sports and Training (MYDST) to support	2016	<ul style="list-style-type: none"> i. The Australian Government-funded Technical Vocational Education and Training (TVET) Centres to boost tourism in Malampa and Sanma and based on the 4 building blocks of training (TVET modules + work-place coaching), communication systems (call-centre), marketing, and (indirectly) access to micro-finance, increases its sustainability through qualitative/quantitative capacity building for provincial tourism offices ii. The initiative is extended to at least one additional province by 2013/4 iii. Resources are secured for further expansion of the initiative during 2015/6 iv. A national accreditation system for tourism products is fully established and managed by the Department of Tourism v. Percentage of accredited tourism products in Malampa (based on a national accreditation system) increases by 50% from the 2012 baseline, 	<ul style="list-style-type: none"> i. The coaching program for Tourism is still ongoing and is conducted on a three monthly basis (May, June and July – 2017). TVET now called Vanuatu Skills partnership (VSP) program involves Industry coaching, business mentoring and Capacity Building for DoT Product Development Officers. The trainings include Product Development, Business development, marketing and customer service. <ul style="list-style-type: none"> • An ambassador training in Luganville is scheduled to commence in April 2018. However TVET for Tourism has already delivered training to 150 bus and taxi drivers in 2017. ii. The TVET for Tourism Program, now VSP has been extended to Torba and Tafea Province, and activities carried out to date have been very successful. The Program is currently carried out in Malampa, Sanma, Torba, and Tafea. iii. TVET for Tourism/VSP – Malampa DoT Manager, Sanma Manager Tourism, Torba Manager Tourism, Tafea Manager Tourism. All TVET offices have 3 working with the program. iv. The operational plan to be rolled out in Shefa, Sanma and Tafea as part of the last Accreditation program has already been piloted in Sanma (trial) with an Provincial Accreditation Officer being recruited. An Action Plan has been developed with timeframe to replicate this program in other provinces and is schedule rollout period of Audits and establishment of lead industry Association in the other 5 provinces starts in May and ends in October 2018. v. The Vanuatu Tourism Operators Minimum Standards (VTOMS) is currently being disseminated to all tourism operators in the country hard copy and online. The VTOMS is mandatory for all tourism operators in order to obtain a tourism permit and business license. Malampa accredited packages increased by 7% last year. 	04/18	



				<p>by 2016</p> <p>vi. Percentage of accredited tourism products in Sanma (based on a national accreditation system) increases by 50% from the 2012 baseline, by 2016</p> <p>vii. Tourism arrivals in provinces benefiting from the AusAID-funded TVET Centres increase proportionally to the number of accredited tourism products.</p>	<p>vi. Sanma accredited products increased by 46% last year 2016. The accreditation pilot program implementation is currently underway for 2017-2018, and based on the evaluation of the roll out of the program, there has been a significant increase in the accredited product. The evaluation of the program took place in September 2017 which included a combination of structured interviews with industry, DoT and other stakeholders as well as site visits and product assessments of operators against the VTOMS. It also reviewed the program's Annual Work Plan and informed the Final Operational Plan.</p> <p>vii. The Vanuatu Skills Partnership Program has now extended to the Tafea Province and has recruited a Tafea Centre Manager with support staff. Assessments have also been undertaken in Tanna and Mystery Island for developing the TVET for tourism programs for the selected areas.</p> <p>The Government is providing support for the new centre in the Tafea Province but is working to progress in the remaining provinces of Shefa and Penama (consultation yet to be held with TVET regarding the above)</p>	
				<p>viii. Government resources to operate the Rural Training Centres(RTC) increase every year compared to 2012 benchmark (VUV 5 million)</p>	<p>viii. The budget allocated to the TVET Division for RTC has increased to VUV 6 million for 2015.</p> <p><i>NOTE: the TVET division under the Department of Youth Development Sports and Training was moved to the newly named Ministry of Education and Training in June 2014</i></p>	04/18
7b	Implement Land Zoning	<p>Physical Planning Unit, Department of Local Authorities (MIA) to lead</p> <p>Department of Tourism (MTTCNVB), Department of Industry (MTTCNVB), Department of Land (MLNR), Land</p>	2019	<p>i. A Department responsible for Physical Planning & Zoning is established by 2019 which takes over functions of the Physical Planning Unit.</p> <p>ii. A Vanuatu National Land Use Planning Policy is approved by COM by 2013</p> <p>iii. Land Zoning for Luganville (Sanma) is implemented by 2018</p> <p>iv. Land Zoning for Port Vila (Shefa) is finalised and endorsed by Municipality by 2018</p> <p>v. Existing Land Zoning for Lenakel (Tafea) is finalised and official gazetted by the State Law Office</p> <p>vi. Land Zoning for Lakatoro (Malampa) is finalised and endorsed by Malampa Provincial Council by 2014, noting</p>	<p>i. The submission made to PSC to establish a Department of Town and Country Planning activities of the physical planning unit (PPU) was approved however, due to no availability of funds for 2018, nothing at been done at this point in time.</p> <p>ii. National Land Use Planning Policy was completed, however as of date no funding available for printing/launching/publication.</p> <p>iii. A Development Control and Zoning Plan for Luganville has been gazetted by the state law office. So far ADB have completed "scoping Mission and Prioritising LUDP Projects" and embarking on feasibility studies of prioritise project of LUDO.</p> <p>iv. The PVMC is still undertaking consultation in various communities within PVMC and peri-urban areas, with funding being a challenge as of to date. So far funding is still an issue even though an NPP submission in 2017.</p> <p>v. The State Law Office (SLO) officially gazetted the Zoning and Development Plans (Extraordinary Gazette No.10 of 2010) and now awaiting funding for implementation.</p> <p>vi. LTMC currently issues permit according to the plans submitted. Proposed LTMC has been gazetted.</p> <ul style="list-style-type: none"> The Malampa Provincial Council has agreed to address this matter in 2015 and to seek PPU assistance. Ministry of Internal Affairs and Ministry of Lands and Natural Resources to acquired uncompensated land for Lakatoro. Lands 	04/18



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		Tribunal (MOJ), Department of Agriculture and Rural Development (MALFFB), Department of Biosecurity (MALFFB), Department of Forestry (MALFFB) and Vanuatu Land Governance Committee to support		<p>that land is still based on Custom ownership</p> <p>vii. Options to extend land zoning beyond urban areas are adopted by 2015, starting from Land Zoning for Efate (Shefa)</p> <p>viii. Legal Framework for Land Zoning, currently based on the Physical Planning Act CAP 193 is reviewed and recommendations for legal reforms are made by 2014</p> <p><i>NOTE: on the last bullet point, the Physical Planning Unit requested that reference to the Municipal Act CAP 162 be removed</i></p>	<p>Department through the Valuation Unit is currently in the process to acquire this parcel of land after Land Compensation is made. The acquisition Team (from Lands Dept.) had served notice in September 2017 however due to land dispute between custom owners and the government, the issue has been taken to court. As of date, no land acquisition by the government has been done yet due to the continuous land dispute.</p> <p>vii. A draft Strategic Plan for Efate has been prepared. Funding is now needed for completion. However, funding is still an issue even though an NPP submission in 2017.</p> <p>viii. The issue is currently being addressed by the PPU. However, There is still no funding available to commence on drafting the amendments.</p>	
7c	<p>draft a policy on Traditional Knowledge, Expressions of Culture and Bio-Diversity, and pass related legislation</p>	<p>Vanuatu Cultural Centre (MIA) to lead</p> <p>Intellectual Property Office (MTTCNVB), Department of Tourism (MTTCNVB) and</p>	2013	<p>i. A policy on the economic aspects of Traditional Knowledge, Expressions of Culture and Bio-Diversity is finalised and approved by the COM by 2013</p>	<p>i. COM paper has been submitted to DCO for deliberations and was approved. The COM paper was then jointly tabled by the Minister of Trade and Minister of Justice at the Council of Ministers and was passed. Decision No.184 of 2017 for the policy of the new Bill is to safeguard Traditional Knowledge and Expression of Culture of the Republic of Vanuatu. The Content of that decision is to instruct the State Law Office to draft the bill on protection of traditional knowledge and expression of culture and the government to provide budgetary support to the organisation that will be administering the TK law. That decision was made on 18 August 2017.</p> <p>The issue of TK, EC, and Bio-diversity is a cross cutting issue. It touches in a lot of areas such as culture, trade, education, environment, forestry, fisheries, climate change etc. And so, we have call for a last consultation of stakeholders from Ministry of Justice, National Council of Chiefs, Climate change, VNCW, Depart of Environment, Depart of Fisheries, and National Cultural Council. These are the technical organisations that deal with specialized aspects of TK. We tried to avoid duplications of responsibilities and tried to harmonize all legislations to supplement each other.</p> <p>Instructions have already been submitted to the State Law Office and the drafting of the legal text is currently underway. DPM has confirmed that he will be tabling the TK bill in the first Ordinary session of Parliament this year 2018 and is listed as a</p>	04/18



		Malvatumari to support			priority government bill to be tabled.	
		Intellectual Property Office (MTTCNVB) to lead	2013	<p>ii. National legislation on traditional knowledge (Traditional Knowledge and Traditional Cultural Expression Bill) is finalised, approved by COM, and passed by Parliament by 2013</p> <p>iii. MSG legislation on traditional knowledge (MSG Framework Treaty on the Protection of Traditional Knowledge and Expressions of Culture) is finalised, approved by COM, and passed by Parliament by 2013</p>	<p>ii. Consultations with the councils of chiefs in all six provinces have been completed purposely to develop a policy paper on the legislation on traditional knowledge and expression of culture. A COM paper has been drafted and presented to the DCO by the Acting Director General George Borugu. The VanIPO has started working on the drafting of the policy directions to be included in the instructions. The policy instructions are now in final stages to completion and are schedule to be forwarded to the SLO early October 2017.</p> <ul style="list-style-type: none"> A draft bill was developed in 2014 by the Pacific Islands Forum Secretariat, but it was later rejected because the legal drafter had not been approved by the State Law Office (SLO), a requirement under the SLO Act. The Amendment to the Copyright Act was passed in the last Parliament sitting in March with an increase in the current copyright fine from VUV 2million to VUV 25 million. VanIPO signed a Property Intellectual Agreement with the World Intellectual Property Organization (WIPO) to install a global software program called the IPAS. This program will register patent, trademark and design. As IP Currently, VanIPO is working together with OGCIO and WIPO in terms of IP infrastructure (Deployment program) and their first task is Data capturing. As part of creating such infrastructure, the request for additional operational budget has been approved to gather for the recruitment of an IT and Administration Officer. Necessary equipment such as server and other IT equipment have also been purchased. Electronic scanning is currently underway and the VanIPO is finalizing workflows and templates and as per the schedule, deployment works is schedule to begin on May. <p>iii. The MSG Treaty on the protection of TK and EC has already been finalised. However, at the moment the office is preoccupied with TK works and has not given much attention to the treaty. The office is looking at getting the Parliament to pass the TK bill and then establish a legislative framework in place to set a solid foundation for an institution that would take charge in managing TK and EC issue. From there, the office can be in a better position to see if there is any need to ascribe to a regional legal instrument to address any TK issue that warrants a regional attention.</p>	04/18
7d	draft a National Tourism Policy Framework, a	Department of Tourism	2014	<p>i. A National Tourism Policy Framework setting tourism development priorities is finalised and approved by COM by 2013ii. Sectoral Tourism policies are finalised and</p>	<p>i. The Department of Tourism has finalized the sustainable Tourism Policy. The suggested timeframe was four months to complete the policy and another six months to complete a strategy and action plan. The first round of consultation to inform the Vanuatu Sustainable Tourism Development Policy took place during the last week of September on Efate and Santo.</p>	04/18



	Cruise Ship policy and a Yachting Policy	(MTTCNVB)		approved by COM including: <ul style="list-style-type: none"> ○ a national Cruise Ship policy, building upon the recently drafted Cruise Ship Action Plan, by 2014 ○ a National Yachting policy by 2014 	<ul style="list-style-type: none"> • A pilot project is currently being implemented on the accreditation operational plan by the Accreditation division in three different provinces being Sanma, Shefa and Tafea, which should later be extended to the rest of the provinces. 6 Provincial Tourism Accreditation officer positions are in the process of being recruited to assist with the roll out nationally. ii. UPDATE ON THE SECTORAL POLICIES <ul style="list-style-type: none"> ○ A small working group will be setting up in late November 2017 to revise the Cruise Tourism Action Plan ○ Given the plan of revising the Cruise Tourism Action Plan, this plan will not only focus on Cruise Ship itself but also yachts and etc. 	
7e	negotiate the opening of new air connections with promising countries of origin, and seek improvement to current connections	Civil Aviation Authority (MIPU) to lead	2013	<ul style="list-style-type: none"> i. A review of the existing Airspace Service Agreements (ASA) is undertaken and amendments are recommended to strengthen compliance and increase traffic whilst safeguarding the national carrier ii. Recommendations of the review are approved by COM iii. Negotiations are undertaken by CAAV seeking amendments to ASA in line with approved recommendations v. ASA are amended according to recommendations 	<ul style="list-style-type: none"> i. Existing ASA has been reviewed and recommendations amended to strengthen compliance and increase traffic whilst safeguarding the national carrier. <p><i>NOTE: An "open skies" policy has been under work by a number of nations in the Pacific. The Pacific Islands Air Services Agreement (PIASA) would allow member nations to have more access for their airlines to other member countries. To date there have been ten signatories, Cook Islands, Kiribati, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu, while only six have ratified the agreement. These six are Cook Islands, Nauru, Niue, Samoa, Tonga and Vanuatu.</i></p>	07/17
		Air Vanuatu Limited, Department of Strategic Planning Policy and Aid Coordination (PMO), Department of Foreign Affairs (MFAICET), Department of External	2014	<ul style="list-style-type: none"> i. A study on the potential for new ASA is undertaken setting out recommendations on new profitable air connections 	<ul style="list-style-type: none"> i. N/A ii. Not relevant to this status report. iii. CAAV is still waiting on MoFAICET to liaise with PNG counterparts despite verbal reminders to them. This has followed up on again and are awaiting feedback from MoFAICET. 	07/17



		Trade (MFAICET), Department of Tourism (MTTCNVB) and Vanuatu Tourism Office (MTTCNVB) to support		<p>ii. Recommendations are approved by COM</p> <p>iii. Negotiations are undertaken with priority countries to establish new ASA</p> <p>iv. New ASA are established</p>	<p>iv. Turkey ASA has been recently finalised in 2016 and was signed during the Turkish Ambassador's trip to Vila to present his credentials to the Head of State. CAAV has reviewed the draft ASA between Vanuatu and China that was signed in 2004, and is currently liaising with MoFAICET to revive negotiations.</p>	
7f	create of a comprehensive tourism dataset	<p>Vanuatu National Statistical Office (MFEM) to lead</p> <p>Department of Tourism (MTTCNVB) and Vanuatu Tourism Office (MTTCNVB) to support</p>	2013	<p>i. Missing tourism data are identified based on international best-practices</p> <p>ii. A data collection strategy is agreed</p> <p>iii. A system of regular production and dissemination of tourism statistics is established</p> <p><u>See note 5</u></p>	<p>i. a) VNSO is currently partaking in a major project – Mini-Census and there may still be gaps.</p> <ul style="list-style-type: none"> The Accommodation survey is one missing data identified by VNSO as this survey has been dormant for over 5years now. VNSO would like to revive this survey but there is lacking of operational budget, human resource, and support from tourism colleagues. To date, the office is uncertain whether to carry out this survey due to lack of funding. However, an online survey is currently on trial stages to substitute for the accommodation survey. <p>ii. The new system is now fully operational and the next step is to identify data gaps and areas where VTO can improve and use the data more effectively and ensure that the current report structures are optimal. Meanwhile, The Office is adjusting to changes in its reporting system by analysing the data provided by VNSO to assist with the development and delivery of marketing programs. The Office is also undertaking a detailed persona survey to understand the travellers' characteristics and consumer travel choices. This is done as part of the development of the destination marketing plan with support from VSTAP.</p> <p>iii. MFAT through VSTAP has provided further assistance to the International Visitor Survey (IVS) Program for a 2 year period.</p> <ul style="list-style-type: none"> The Office has appointed the Information & Research manager as Project Manager for this program. The Information & Research Manager is working with the VSTAP Team in ensuring that current visitor arrival data are being provided to the New Zealand Research Institute for tabulation as well as working with the VNSO team to ensure monthly data reports are produced and provided to the Industry and stakeholders. <p>The Office has also been liaising with the Ministry of Foreign Affairs and Trade team on the final Activity Design Document for the International Visitor Survey for Vanuatu and other Pacific countries. This will assist in the continuation of IVS data collection for planning purposes.</p>	04/18



					<p>The Office has also submitted an NPP for 2018 for awareness with stakeholders on the 2016 IVS results and the relevance of data and the sector to the economy.</p> <ul style="list-style-type: none"> The Office itself is undergoing a restructuring phase for 2018 to recruit 2 additional research and statistics officers so that they can work hand in hand with this project to develop a monitoring and evaluation framework for collecting data including ongoing research work in the market area. However, the NPP for this program was not approved for 2018 budget thus, is on hold. The Office has requested support from DFAT through the Australian Volunteers for International Development (AVID) Program to assist in analysing data collected from the IVS and incorporating it into VTO programs. Ms. Marion Leger has been endorsed by VTO under the AVID program to start with the information/Research program and will commence work in July 2018 for 12 months. 	
7g	<p>improve value adding for urban tourism, notably through initiatives of:</p> <p>1. waterfront regeneration;</p>	<p>Department of Tourism (MTTCNVB) to leads on policy aspects</p> <p>Vanuatu Project Management Unit (PMO) leads on contract management /financial management</p>	2013	<p>i. A Port Tourism Infrastructure Project, including detailed costing of interventions, is finalised endorsed by COM by 2012</p> <p>ii. Financing agreement for the first phase of the project is finalised by 2013</p> <p>iii. Agreed interventions start in 2013</p> <p>iv. Additional funds (including climate change funds) are secured from interested donors to implement further phases of the project</p>	<p>i. Completed</p> <p>ii. NZMFAT approval to go out to tender for the full scope of works for VTIP was secured in October 2014.</p> <p>iii. Work already started in 2015 and still ongoing in 2016.</p> <p>iv. EIF support to the VTIP has been sought for USD 3 million. The proposal was approved by EIF on 17 December 2014.</p> <p>UPDATE:</p> <p>The Seafront Management Plan, with assistance and support from VSTAP and TDD, under Ministry of Tourism VTIP Management Committee, was completed in Feb 2018. A new Management Committee is being established under the Ministry of Internal Affairs, to implement this Seafront Management Plan.</p>	04/18



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	Public Works Department (MIPU) leads on site supervision					
	Port Vila Municipality and Physical Planning Unit, Department of Local Authorities (MIA) to support					
2. broad-based environmental education; and	Department of Tourism (MTTCNVB) to lead Vanuatu Tourism Office (MTICT), NGOs and Civil Society Organisations to support	2013	i. a) Donor support is secured to implement a programme for broad-based education benefiting urban tourism, with particular focus on reducing urban littering	i. A Provincial Waste Management Plan is being drafted jointly by the DoT, Department of Environment, and JICA. TVET Sector Strengthening Program (SSP) is implementing in partnership with Luganville Municipality a program of waste management training/coaching with Sanma tourism operators. This plan is not being pursued by the Department of Tourism. • TVET is focus to implement this program at the Cruise Port of Call in Sanma, Tafea Province particularly in Luganville, Champagne Beach and the Mystery Island. DoT cruise tourism officer is working in collaboration JICA and the Department of Environment of Waste Management to deliver the program.		04/18



	<p>3. improved linkages to the primary and agro-industry sectors</p>	<p>Department of Tourism (MTTCNVB) to lead</p> <p>MALFFB, Department of Industry (MTTCNVB) and Department of Cooperatives and Ni-Vanuatu Business (MTTCNVB) to support</p>	<p>2014</p>	<p>i. An assessment is undertaken by 2013 about the agricultural and agro-processed products that are purchased by the tourism industry and areas for possible import-substitution are identified</p> <p>ii. Based on the above assessment, by 2014 projects are identified in cooperation with the MALFFB and the Department of Industry to boost productive capacity in areas where imports can realistically be substituted</p>	<p>i. IFC report on agricultural linkages to hotels and resort contributes relevant data to this process. One staff of Department of Tourism attended a culinary exchange program in Turkey to develop specific local dishes menu as part of the agri-tourism program. Now VIT is benefiting from this program by incorporate Turkish Cuisine in their Course/Restaurant.</p> <p>ii. An Agri-tourism Steering Committee has been established to promote the linkages between agriculture and tourism and promote increased production and value-addition to agricultural produce. Wik Blong Agritourism event was held from 9-11 November 2016 proved to be a success and the Agri-tourism Plan of Action will be launched on 7 December 2016. The Agri-tourism plan was launched on Friday 10 March 2017. Some of the positive outcomes of this project were the Potato planting in Tanna, Vanuatu Agriculture week (16-20 October), the cattle restocking program in all six provinces and the Skills plan training support from TVET in provinces such as Malampa, Sanma, Torba and Tafea.</p>	<p>04/18</p>
<p>7h</p>	<p>increase total visitor numbers from existing markets by increasing the scale and effectiveness of existing destination marketing activity</p>	<p>Vanuatu Tourism Office</p>	<p>2015</p>	<p>i. Scale-up marketing efforts in key markets via an holistic approach:</p> <p>a. Advertising (all media)</p> <p>b. Public Relations (all media)</p> <p>c. Trade/Consumer Shows overseas</p> <p>d. Development and Promotion of Events in Vanuatu</p> <p>e. In country representation (Australia, New Zealand, New Caledonia)</p>	<p>i. Vanuatu has re-entered the market with a co-ordinated campaign. . The campaign was funded by MFAT, DFAT and the Vanuatu Government. DFAT provided up to 500,000AUD and MFAT provided 500,00NZD, while the VTO is awaiting the final funding of 15 000 000 from the Vanuatu Government which was submitted as a supplementary budget at the last Parliament sitting. The supplementary budget for the additional contribution of VT 15,000,000 for the recovery was approved by COM in April/May but was not allocated by the Ministry of Finance due to budget Threshold limits.</p> <p>o The Tourism Recovery Marketing Campaign (TRMC) Project has been completed in February 2017. A complete report has been prepared and provided to the Project Recovery Committee (PRC) and Donor Partners on how the project was delivered with results to measure the delivery.</p> <p>The campaign incorporated activity across all channels in Australia, New Zealand and New Caledonia. The campaign was successful in re-connecting Vanuatu with the marketplace and there were positive visitation results while the main push with activity was undertaken.</p> <p>Other updates</p>	<p>04/18</p>



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			<p>ii. Increase in operational budget for AUS/NZ/NC, from VUV 114m (2014) to VUV 160m (2016) which would allow for a fully-fledged marketing plan to be implemented</p> <p>iii. As a results of the above efforts tourism arrivals by air increase</p> <p>a. For AUS, from 65,396 in 2012 to 102,750 in 2015</p> <p>b. For NZ, from 14,429 in 2012 to 41,100 in 2015</p> <p>c. For NC, from 13,138 in 2012 to 34,250 in 2015</p> <p>iv. As a results of the above efforts tourism arrivals by sea increase from 213,243 in 2012 to 400,000 in 2015.</p>	<p>o MFAT Funds will be rolled out in July 2017 for a year (July 2018) to fund marketing approaches (such as advertising, trade/consumer shows, development and promotion of events, and in country representation) used by VTO.</p> <p><u>Australia Market:</u></p> <ul style="list-style-type: none"> - PR & Promotions - Travel trade activity - Campaign <p><u>NZ Market:</u></p> <ul style="list-style-type: none"> - PR & Promotions - Travel trade activity - Campaign - Content development - Trade & consumer <p><u>New Caledonia Market:</u></p> <ul style="list-style-type: none"> - Campaign - Trade & Consumer - content development <p>ii There is no increase from the recurrent budget from Government; however there is additional funding support through the VSTAP and also through DFAT as part of the recovery efforts. Private sector through TMDF has been very cooperative in supporting their contributions on a monthly basis calculated from collection from their members. The grace period approved by the VTO Board is to assist the industry operators to recover during this phase until the 2nd quarter of 2018.</p> <p>A proposal on the amendment of the TCOV Act Part 8 was scheduled to be passed in the November Parliament session. This proposal is to ensure that levy contributions is mandatory for all operators. The final text of the amendment is yet to be submitted by the Ministry of Tourism to SLO.</p> <p>iii. Visitor Arrival by Air for the period July to Dec 2016 totals 43,786</p> <ul style="list-style-type: none"> a) From Australia – 25,323 (57.8%) b) From New-Zealand – 6,222 (14.2%) c) From New-Caledonia – 4,341 (9.9%) 	
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					<p>iv. Cruise Ship Passenger from January to June 2017 is 111616</p> <p>o Visitor numbers in core markets for 2015 are as follows:-</p> <table border="1"> <thead> <tr> <th></th> <th>2012 Actual</th> <th>End 2015 Target</th> <th>2015 - Actual</th> <th>Jan-Nov 2017</th> </tr> </thead> <tbody> <tr> <td>Cruise</td> <td>213243</td> <td>400000</td> <td>197471</td> <td>191,644</td> </tr> <tr> <td>New Caledonia</td> <td>13138</td> <td>34250</td> <td>10567</td> <td>13,874</td> </tr> <tr> <td>Australia</td> <td>65396</td> <td>102750</td> <td>46098</td> <td>50,786</td> </tr> <tr> <td>New Zealand</td> <td>14429</td> <td>41100</td> <td>13422</td> <td>10,456</td> </tr> <tr> <td>TOTAL</td> <td>306206</td> <td>578100</td> <td>267558</td> <td>288,469</td> </tr> </tbody> </table> <p>Visitor targets were not met in 2015 at least in part due to TC PAM.</p>		2012 Actual	End 2015 Target	2015 - Actual	Jan-Nov 2017	Cruise	213243	400000	197471	191,644	New Caledonia	13138	34250	10567	13,874	Australia	65396	102750	46098	50,786	New Zealand	14429	41100	13422	10,456	TOTAL	306206	578100	267558	288,469	
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TOTAL	306206	578100	267558	288,469																																
7i	increase tourist arrivals from markets outside the traditional sources of tourism, such as long-haul visitors and tourists from the emerging markets of Korea and China	Vanuatu Tourism Office	2015	<p>i. Scale up efforts in Europe through:</p> <p>ii. Increase in Permanent Representatives, from 1 part-time to 1 full-time</p> <ul style="list-style-type: none"> Increase in operational budget, from VUV 4.8m (2013) to VUV 15m (2015) which would allow for a fully-fledged marketing plan to be implemented <p>iii. Scale up efforts in Republic of Korea through;</p> <ul style="list-style-type: none"> Increase in operational budget, from VUV 5m (2013) to VUV 15m (2015) which will fully fledged marketing plan to be implemented <p>iv. Scale up efforts in China through:</p> <ul style="list-style-type: none"> Full engagement with the IFC-funded Permanent Representative for the Pacific Countries 	<p>i. No additional budget support provided through recurrent budget for 2017. .</p> <ul style="list-style-type: none"> Discussion for concept for securing additional budget support for long haul markets ongoing. Long haul market activities need to be reviewed in consideration of current market conditions and the need to return core markets back to a growth position. Currently, Discussions on the development of a long haul marketing plan is still on hold as focus in the last 3 quarters of 2017 was based on restoring confidence and building on growth for the core markets. One of the strategies for the long haul market is to work with the Ministry of Foreign Affairs through the diplomatic missions in markets of Asia and Europe to increase presence and destination awareness however VTO is still awaiting supplementary budget of 2018 to recruit a dedicated manager for this market of which will work with foreign Affairs to use diplomatic and heads of mission in Europe, North America and Asia. Discussions have not surfaced to proposal stage as yet. Korea is also an emerging market for Vanuatu. Due to budget constraints activities for South Korea is on hold. There currently is no additional funding in 2017, therefore, no office representative has been appointed. Additional 15million vatu has been requested as part of the supplementary budget for the long haul markets and emerging markets in which VTO is awaiting confirmation on. IFC is currently designing the next program phase and has been in discussions with VTO. IFC had finalised the priorities proposed by VTO and soon will be formalised through an MOU on their engagement for the long haul and emerging markets with VTO for a period of 2 years. 	04/18																														

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			<ul style="list-style-type: none"> • Increase in Permanent Representatives, from 0 to 1 part-time • Increase in operational budget, from VUV 7m (2013) to VUV 30m (2015) <p>v. Scale up efforts in Japan through:</p> <ul style="list-style-type: none"> • Increase in Permanent Representatives, from 0 to 1 part time • Increase in operational budget, from VUV 4m (2013) to VUV 15m (2015) <p>vi. As a results of the above efforts tourism arrivals by air increase</p> <ul style="list-style-type: none"> • For Europe, from 5,491 in 2012 to 7,000 in 2015 • For Korea, from 96 in 2012 to 3,000 in 2015 • For China, from 200 in 2012 to 3,000 in 2015 • For Japan, from 705 in 2012 to 2,000 in 2015 	<ul style="list-style-type: none"> • China Market Ready Program which based on research is undergoing discussions with stakeholders. In partnership with IFC we had conducted a national china ready seminar with the China stakeholders. Attendance for the workshop included Efate, Santo and the call centre agents Officers from Torba Office. VTO also hosted in Partnership with IFC our biggest Media/PR and social Median Bloggers famil with 8 participants from China in March. The Famil itinerary included Tanna /Efate and Santo. <p>Charter flight discussions with key operators such as Rossie Holidays and Ali Baba are ongoing. An Emerging Market Taskforce has been appointed by the Government comprising of VTO, AVL, VHRA, DOT, and Ministry of Tourism to discuss route developments for charter flights from China targeting the Guanzhou & Shanghai. This is to prepare infrastructure support for charter flights. The emerging market task force is in discussion with several airline companies to prepare a readiness charter proposal for October 2018 when the runway upgrade is completed.</p> <p>Industry education training with IFC/VTO and government is ongoing.</p> <p>iv. There is no representation and budget allocation in Japan.</p> <ul style="list-style-type: none"> • Partnership with Japan through attendance at Trade shows. <p>v. Long Haul Market Visitor Numbers for the period July to November 2016 for Visitors arriving by Air.</p> <ul style="list-style-type: none"> - Europe - 4301 (9.8%) North America – 1386 (3%) - China -1272 (2.9%) - Japan -465 (1%) <table border="1" data-bbox="1064 991 1794 1294"> <thead> <tr> <th></th> <th>2012 Actual</th> <th>End 2015 Target</th> <th>2015 - Actual</th> <th>Jan-Nov 2017</th> </tr> </thead> <tbody> <tr> <td>Other Europe (France primarily)</td> <td>5491</td> <td>7000</td> <td>5839</td> <td>6,128</td> </tr> <tr> <td>Japan</td> <td>705</td> <td>2000</td> <td>633</td> <td>TBA</td> </tr> <tr> <td>China</td> <td>200</td> <td>2000</td> <td>2186</td> <td>TBA</td> </tr> <tr> <td>USA</td> <td>2094</td> <td></td> <td>2962</td> <td>TBA</td> </tr> <tr> <td>Korea</td> <td>264</td> <td></td> <td>280</td> <td>TBA</td> </tr> </tbody> </table> <p>Other Updates:</p> <ul style="list-style-type: none"> ○ Operational budget for long haul markets has not increased to enable additional activity 		2012 Actual	End 2015 Target	2015 - Actual	Jan-Nov 2017	Other Europe (France primarily)	5491	7000	5839	6,128	Japan	705	2000	633	TBA	China	200	2000	2186	TBA	USA	2094		2962	TBA	Korea	264		280	TBA	
	2012 Actual	End 2015 Target	2015 - Actual	Jan-Nov 2017																															
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					<ul style="list-style-type: none"> ○ VTO currently only have representation in the long haul market of USA. ○ VTO continue to work with long haul markets in the following ways <ul style="list-style-type: none"> - Partnership with SPTO in the form of Media/Trade familiarisations and publicity - Partnership with New Caledonia in France through attendance at Trade Shows - Ongoing discussions for direct route from Peko to Noumea with Air Vanuatu is currently underway. This should open up doors to long-haul markets such as France. The Noumea direct services to Tanna and Santo have been put on hold due to the Air Services Agreement with France Government and Airline. This route is important for the Santo Tourism Industry however will require further negotiations between the Vanuatu Civil Aviation Authority, Air Vanuatu and the France Government. 	
7j	To improve the distribution of the benefits of tourism throughout the country through more effective marketing of outer island products.	Vanuatu Tourism Office	2015	<p>i. Scale up efforts to promote outer island tourism, by introducing Malekula and Ambrym in the international tourism circuit whilst continuing to promote the more traditional destinations of Tanna/Santo</p> <p>ii. Budget for promotion of outer islands adventure/cultural tourism increase from VUV 2m (2013) to VUV 8m (2015) to engage with specialised wholesalers/retailers in adventure/cultural tourism [this budget increase is to be intended as part of the budget to be allocated to Europe and Asia]</p> <p>iii. As a results of the above efforts tourism arrivals in Santo, Tanna, Malekula, and Ambrym see a</p>	<p>Redeveloping VTO website in partnership with VSTAP to provide better opportunity to promote Vanuatu and outer islands with tourism product and provide linkages to call centres. A Brisbane company called B-Digital has been contracted to re-develop the website.</p> <p>The new website went live in November 2017 with the following URL- www.vanuatu.travel. The site went live (soft launch) on 23rd October 2017, and officially launched on 29th November 2017.</p> <p>Further updates:</p> <ul style="list-style-type: none"> • www.vanuatu.travel Google Analytics has been reactivated after 3-4 years of no access so we are now able to closely monitor the website and measure traffic viewing the site. • Continuous growth in the number of users coming to the site generally every month and every quarter. • 2017 last quarter (October-December): <ul style="list-style-type: none"> 13,880 Users 13,811 New Users 	04/18



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				<p>significant increase [statistics to be added once tourism dataset is completed – see recommendation 7f]</p>	<p>18,847 Sessions 69,230 Page Views</p> <ul style="list-style-type: none"> • 2018 first quarter (January-March): 21,319 Users 20,755 New Users 28,467 Sessions 104,778 Page Views • Started with 380 operator pages when we launched in November 2017 • Currently (end of March 2018) there are 413 operator pages (additional 33 new product / operator pages have been added and published in the website) • Website is now mobile and multi-device friendly. Stats for end of first quarter 2018 show: 32.29% total traffic are Mobile Users (6,856 users), 11.02% are Tablet Users (2,339 users) accessing via Apple iPhone, Apple iPad, Samsung Galaxy S7, S8, S5, S8+, S6, and Microsoft Windows Tablet. <div data-bbox="1142 778 1960 1157" data-label="Image"> </div> <ul style="list-style-type: none"> i. Media famils, collateral, and content are the key focus of marketing activities for the Outer Islands and developing linkages with the call centre program o Malekula, Ambrym and Banks group have been incorporated into marketing activities primarily to long haul and New Caledonia markets, such as the call centres of Malampa, Santo including Tafea were represented in the Noumea TOKTOK in March as well as participated in the TOKTOK Vanuatu in August. Great feedback has been received for the product and 	
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					<p>experiences these destinations are able to offer.</p> <p>ii. Budgets were not increased as per output indicator</p> <ul style="list-style-type: none"> The budget ceiling for VTO in 2017 is same to the ceiling of 2016. A large percentage of the marketing budget focus in 2017 is undertaking some key campaign in the core markets (Australia and NZ). These campaigns promote the destination and feature the outer islands as part of the Vanuatu experience. The budget for outer islands in 2017 remains the same but will be spent in collaboration with the call centres. Marketing Plans for the call centres have been developed and the outer island budget will co fund some of the marketing activities identified. Torba and Penema use Sanma Call Centre due to infrastructure issues. <p>iii. N/A - dataset yet to be established.</p>	
	BREAKING BARRIERS TO TRADE					
8a	Implement the Vanuatu Infrastructure Strategic Plan (VISIP) priority projects and increase operational budget to maintain	MIPU-CSU	2013	i. VISIP is approved by COM	i. VISIP has been approved by COM and is now an official document.	04/18
		Vanuatu Project Management Unit (PMO) leads on project	2016	ii. MULTISECTOR a) Port Vila Urban Development Project implemented by 2016	ii. MULTISECTOR a) The PVUDP has three components: <i>Component 1: The Government has improved the road network and drainage system.</i> Phase 1 Roads and Drainage	04/18



	<p>infrastructures proportionally to the extension of the infrastructural network</p>	<p>management /contract management</p> <p>Public Works Department (MIPU) leads on site supervision</p> <p>Department of Local Authorities (MIA), Department of Lands (MLNR), Department of Environment (MLNR) to support</p>		<p><i>[also note multisector project on tourism infrastructure at recommendation 7g]</i></p> <p><i>Vanuatu Tourism Infrastructure Project (VTIP)</i></p>	<ul style="list-style-type: none"> - Roads and drainage system have been completed. 100% of bitumen sealing completed with final layer of asphalt to be laid in Q1 of 2018. - Contractor has completed all kerbs, footpaths, driveways, bus bays and drainage works along Kumul Highway between SMET junction to European Corner, and along Lini Highway to USP roundabout. Work continues between USP roundabout and Numbatu roundabout. - RMS also completing the investigation of services location and services potholing is continuing towards the Wharf Road intersection. - Estimated completion rate of Phase 1 scope of works is 40% works with the expected completion date of May 2018. <p>George Kalsakau Drive (GKD):</p> <ul style="list-style-type: none"> - Construction of major works in roadway has been completed providing a concrete pavement for 301m. George Kalsakau Drive Concourse <ul style="list-style-type: none"> - Completed <p><i>Component 2: The Government has improved the sanitation system in greater Port Vila.</i></p> <p>Septage Treatment Facility (STF)</p> <ul style="list-style-type: none"> o Works to build STF began on 1st Feb 2016 and work includes 2 septage lagoons at Bouffa Landfill site to the east of Port Vila. Construction of the STF was completed on 1 April 2017. o Operations and maintenance (O&M) strategy of the STF remains a concern to the GoV with the facility to be handed over to PVMC upon completion of construction. The construction contractor has agreed to a variation to provide gatekeeper and maintenance services for 6 months to allow for more permanent arrangements to be established by PVMC. <p><i>Component 3: Central area and settlement communities use improved hygiene facilities.</i></p> <ul style="list-style-type: none"> o Construction is now complete with some defects remaining. Opening ceremonies for the Seaside facilities were conducted on 31st May 2017. Blacksands and Waisisi are planned to be opened in November 2017. o Construction of Semi-private Sanitation Facilities commenced in June 2017 at Tokyo Buninga and will commence in Ohlen Nabanga in November 2017. The community at Tokyo Buninga is providing the labour and construction is progressing well. o The contract for the construction of Public Sanitation Facilities at Fatumaru Bay, Independence Park, and Port Vila Hospital Market was awarded to Downer EDI in September 2017. The Contractor is preparing to commence work with an expected completion date of September 2018. 	
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				VTIP construction is now 99% complete with the majority of the facilities being used by the general public. The contractor is currently attending to the list of defects with the two market houses yet to be handed over. The Seafront Park public toilets are yet to be commissioned by PVMC and the Wharf Road Tourism Building will be completed in November 2017.	
	Public Works Department (MIPU)	2016	<p>iii. TRANSPORT [LAND]</p> <p>a) Vanuatu Transport Sector Support Program Phase II is implemented by 2016 with maintenance/upgrading of rural roads in:</p> <ul style="list-style-type: none"> ○ Tanna ○ Ambae ○ Malekula ○ Pentecost 	<p>iii. TRANSPORT [LAND]</p> <p>a) Status per island:</p> <ul style="list-style-type: none"> ○ Tanna: Maintenance works commenced in March 2014. 100% of works complete to date. ○ Ambae: Maintenance works commenced in March 2014. 100% of woks done. ○ Malekula: Maintenance works completed. ○ Pentecost: Maintenance work commenced in October 2014. 100% of work complete. <p>Other islands not planned for include Vanua Lava, Ambrym, Paama, Efate, and Epi, all of which maintenance works have been complete. However, maintenance work done in Santo to date is 100% complete.</p>	11/17
	Vanuatu Project Management Unit (PMO) leads on project management /contract management	2016	<p>iv. TRANSPORT [SHIPPING I]</p> <ul style="list-style-type: none"> • Vanuatu Inter-island shipping project implemented by 2016 including: <p>a) Building of and inter-island wharf in Port Vila</p> <p>b) Building of jetties in Tanna, Malekula, Pentecost, Ambae</p> <p>c) Maintenance of Santo domestic wharf</p>	<p>iv. TRANSPORT [SHIPPING I]</p> <p>(a) South Paray Wharf and Channel</p> <ul style="list-style-type: none"> ○ The dredging of channel was completed 8th February 2017 and the channel marker buoys installed in August 2017. ○ Progress to date of the wharf structure is at 70% of works completed. All piles have been driven and placement of the deck units in continuing. Rock armour installation has stalled while the contractor reviews the safety of his work methods. The expected completion date for this site is March 2018. 	11/17



		<p>Department of Ports & Harbours (MIPU) leads on site supervision</p>	<p>d) Subsidisation of uneconomic inter-islands shipping routes</p> <p>e) Enhancing maritime safety</p>	<p>(b) Simonsen and Outer Island Wharves</p> <ul style="list-style-type: none"> ○ Further bathymetric survey has been undertaken at Simonsen Port Sandwich, Lolong and Lolowai. ○ The re-design of jetties in currently being checked by an independent design consultant. Construction has not commenced at these sites. (c) The project is 12 to 18 months behind schedule. The causes of the delay include design changes by the Design Consultants, the Contractor's delayed procurement due to design changes, the Contractor's slow progress on site, and the Contractor's poor cash flow. <p>(d) Subsidised Shipping Scheme (SSS) routes</p> <p>Under the SSS, non-commercial routes were serviced in Tafea, Sanma and Torba provinces. There are five service routes which are contracted to private shipping operators to conduct services on these routes. There were total of 95 voyages which were sailed in the period of August 2014 to October 2017 as reported in the table below.</p> <table border="1" data-bbox="1153 833 1948 1114"> <thead> <tr> <th>Scheme</th> <th>Route</th> <th>No. of voyages</th> <th>Period</th> </tr> </thead> <tbody> <tr> <td>SSS1</td> <td>Santo-Torres</td> <td>22</td> <td>12/14 to 10/17</td> </tr> <tr> <td>SSS2</td> <td>Vila-Tanna</td> <td>9</td> <td>08/14 to 10/15</td> </tr> <tr> <td>SSS2A</td> <td>Vila-Tafea East</td> <td>16</td> <td>10/15 to 10/17</td> </tr> <tr> <td>SSS2B</td> <td>Vila-Tafea West</td> <td>21</td> <td>11/15 to 10/17</td> </tr> <tr> <td>SSS3</td> <td>Santo-Banks</td> <td>17</td> <td>05/15 to 10/17</td> </tr> <tr> <td>SSS4</td> <td>Santo</td> <td>10</td> <td>08/15 to 10/17</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ○ SSS1 (Santo-Torres): 13 voyages on the first contract and since June 2016 voyages are under a new contract which is expected to continue until June 2018. ○ SSS2A (Tafea East): 16 voyages on the first contract and following procurement, evaluation and award, a second contract is being prepared to be signed. ○ SSS2B (Tafea West): 21 voyages have been completed and the last voyage under the current contract is expected to be February 2018. ○ SSS3 (Banks): 17 voyages on the first contract and following procurement, evaluation and award, a second contract is being prepared to be signed. 	Scheme	Route	No. of voyages	Period	SSS1	Santo-Torres	22	12/14 to 10/17	SSS2	Vila-Tanna	9	08/14 to 10/15	SSS2A	Vila-Tafea East	16	10/15 to 10/17	SSS2B	Vila-Tafea West	21	11/15 to 10/17	SSS3	Santo-Banks	17	05/15 to 10/17	SSS4	Santo	10	08/15 to 10/17	
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				<ul style="list-style-type: none"> ○ SSS4 (Santo): Contract was been awarded but operator failed to commence due to vessel being beached during TC Cook. <p><i>(e-i) The establishment of Vanuatu Maritime Safety Administration is progressing well</i></p> <ul style="list-style-type: none"> ○ The MIPU Minister appointed a Temporary Regulator (TR) OMR on 31May17 who has had significant experience in the Department of Ports and Harbour. This temporary appointment will be for six months and will enable the transition process to continue until a permanent Regulator can be appointed. The TR will be assisted by the Transition Working Group (TWG) which is a sub group of the Transition Taskforce. Finance and Administration Assistant and a Legal Officer have recently been appointed with Licencing Officers to come in November 2017. <p><i>(e-ii) Maritime safety is also pursued on matters of hydrography/charting</i></p> <p>Updated hydrographic surveys have been conducted for the seven international cruise destinations, but only the Port Vila and Luganville Ports comply with the ECDIS (Electronic Chart Display and Information System).</p>		
		<p>Vanuatu Project Management Unit (PMO) and MIPU-CSU lead on project management /contract management</p> <p>Department of Ports & Harbours (MIPU) leads on site</p>	2016	<p>v. TRANSPORT [SHIPPING II]</p> <ul style="list-style-type: none"> • Port Vila Lapetasi International Multi-Purpose Wharf development project is implemented by 2016 	<p>v. TRANSPORT [SHIPPING II]</p> <p>Construction is 100% completed on the Port Vila Lapetasi International Multi-Purpose Wharf Development Project is handed over to Government of Vanuatu on 9 February 2018.</p> <p>Completion percentages of works on site include:</p> <ul style="list-style-type: none"> ○ Administration Building, Utility Shed, Workshop Building, Container Freight Station, Refuelling Station 100%, ○ Exterior Works 100%, ○ Reefer Tower 100%, and ○ Gate House 100%. <p>Completion percentages of Additional Works on site include:</p> <ul style="list-style-type: none"> ○ 2 Additional Bollards 85%. 	04/18



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		supervision				
		MIPU-CSU	2016	<p>vi. MAINTAINANCE</p> <ul style="list-style-type: none"> • Operational Budget for road maintenance increases by at least 5% a year compared to 2012 allocation of VUV 500 million (<u>see note 6</u>) • Operational Budget for maintenance of ports increases by at least 5% a year compared to 2012 allocation. • Operational Budget for maintenance of airports increases by at least 5% a year compared to 2012 allocation. 	<p>vi. MAINTAINANCE</p> <ul style="list-style-type: none"> o Roads: VT 801,875,966 o Operational budget for maintenance of ports was; <ul style="list-style-type: none"> - Vila - VT50, 079,587 - Santo - VT19,647,776 <p>Airports</p> <ul style="list-style-type: none"> o Operational budget for airports maintenance was; <ul style="list-style-type: none"> - VT51,604,000 in 2014 - VT52,000,000 in 2015 - VT44,000,000 in 2016 - VT 52,000,000 in 2017. 	11/17
8b	Establish robust ICT international connectivity and ensure universal ICT access	Office of the Chief Information Officer (PMO) leads on project management /contract management MIPU-CSU, Department of Finance and Treasury (MFEM) and	2014	<p>a) Establish robust international connectivity by adopting the most suitable technology. Submarine cable and/or alternative technologies providing similar functionality (O3B, etc.) is operational by 2014</p> <p>b) Robust policy frameworks to deliver Universal Access and to set high-level directions for ICT policies approved:</p> <ul style="list-style-type: none"> o A Universal Access Policy is approved by COM by 2013 o An ICT policy is approved by COM by 2013 <p>c) Implementation of the Universal Access to provide connectivity to rural areas/outer islands has</p>	<p>a) Submarine cable – The Interchange Submarine Cable reached Vanuatu in late November 2013 according to project schedule. All Internet Service Providers (ISPs) are now connected to the cable.</p> <p>b) Policy Frameworks ICT Policy objectives are being implemented with focus on Universal Access and Cybersecurity.</p> <ul style="list-style-type: none"> o Universal Access Policy is currently being implemented and has a coverage rate of over 92%. o National ICT Policy is under implementation and according to the Telecommunication sector report for 2016, the ICT has a coverage of 71%. This policy is due for review in 2018 and currently recruitment is underway for new officers to assist in the review and the reviewing is expected to be completed in December 2018. o Cyber security Policy – the Bill for Cybercrime Act No. of 2016 is listed for debate in the Second Extra Ordinary Session and a Special Session of Parliament on 21 November 2016. However, despite being listed for November 2017 Parliament Sitting, there are some major changes to the bill that will require major consultation therefore; it is now listed for 2018 November sitting. o The National Broadband Strategy has been abandoned as it is similar to the UA policy and the government has 	04/18



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		TRR to support		commenced by 2014	<p>decided to take a new direction in the upcoming policies.</p> <p>c) Universal Access</p> <ul style="list-style-type: none"> ○ Universal Access coverage to date is around 92%. <p>OTHER INITIATIVES</p> <ul style="list-style-type: none"> ○ The recent establishment of the Vanuatu Internet Exchange Point (IXP) that connects Internet Service Providers (ISPs) to exchange local traffic will also contribute to increase access by reducing internet costs. ○ The Satellite Connectivity Program contracted to the International Telecommunication Union (ITU) is a program which will connect unconnected areas. The program connecting 2 sites in Maewo for the pilot project for health called Telemedicine. The Government of Vanuatu is awaiting confirmation from ITU on the Satellite Service Provider agreement. Apart of the ITU Satellite Connectivity Program, the Government of Vanuatu with support from the Maewo Telecommunication Association has entered an agreement with Kacific, a Satellite Service Provider to connecting 2 sites in Maewo for the pilot project for health called Telemedicine which is now a success and there's intentions to expand to other rural health facilities. ○ School Connectivity Program by Asia Pacific Tele-Community for disaster prone schools. This program is funded by Japan and will support three disaster prone schools.. APT has completed project in Tanna which includes connecting schools, health centres and installing thermal cameras at the Yasur Volcano. This year the Government has started establishing computer labs with Lycee de Luganville and South Malekula Secondary School including boosting Malapoa College computer lab with additional computers. The Government through OGCI0 has projected to establish 3 computer labs every year beginning 2018. ○ National Emergency HF Radio project for use during a disaster to be completed by Q4 2017. 	
9	Investigate options to further liberalize inter-island shipping by amending the list of reserved activities under	Vanuatu Investment Promotion Authority (MTTCNVB)	2016	<p>a) In the context of the comprehensive review of Vanuatu's reserved activities to be carried out by IFC, impact assessment of inter-island shipping liberalisation is undertaken, and recommendations are approved by COM</p> <p>b) VIPA Act is amended in line with recommendations</p>	<p>a) Continuous delays on the development of the National Investment Bill which means that any review to the reserved investment under the VIPA Act cannot be undertaken. The Board has approved revision for the review of Act. This exercise commenced with already 4th round of Ministerial consultation regarding the Bill and the Private sector consultation conducted on 18 October 2017. An additional stakeholder's consultation on the Bill is scheduled for 25 October 2017.</p> <p>b) Funding of the National Investment Policy has been secured together with the TOR for the Consultant. However, the</p>	11/17



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	the VIPA Act			of the IFC impact assessment	Consultant is yet to be hired.	
10	<p>Implement a comprehensive program of land reform by identifying/recording custom owners, establishing a system for fair land dealings, and implementing land zoning</p>	<p>Land Tribunal (MOJ) & Malvatumari to lead</p> <p>Department of Lands (MLNR), Department of Local Authorities (MIA) and Vanuatu Land Governance Committee to support</p>	<p>2016</p> <p>On going</p>	<p>a) IDENTIFICATION/RECORDING CUSTOM OWNERS</p> <p>i. Land Tribunal provincial offices are established by 2012</p> <p>ii. Training of Land Tribunal officers, adjudicators, and chiefs is undertaken by 2013</p> <p>iii. For around 30% of Vanuatu land, customary landowners are identified and recorded by 2016</p>	<p>a) IDENTIFICATION/RECORDING CUSTOM OWNERS</p> <p>i. Following the 2013/2014 legal changes, the priorities are:</p> <p>a) <i>Institutional strengthening</i> - to establish a Custom Land Management Office (CLMO) at central level. The capacity of the CLMO has been increased with 2 staff in 2014. In 2015 staff will be increased by 4 units, making a total of 14 staff, 7 in Vila and 7 in the outer provinces such as Tafea, Sanma, and Malampa. There has been an increase in capacity from 14 to 24; given no approval from PSC yet, the CLMO has engaged officers on contractual arrangement this year 2017.</p> <p>b) Santo office has been expanded and will continue to grow in 2015 to look after the administration of the Northern provinces.</p> <p>ii. <i>Training & Capacity building</i>- training of CMLO officers, adjudicators and chiefs is being undertaken and will be an ongoing activity. All trainings were rolled out in 2016 and are an ongoing exercise for 2017. CLMO has recorded an additional 300 trained adjudicators.</p> <p>Outreach and education programs will commenced in December 2014 and this is still currently ongoing. . Separate training for Governance is carried out by CLMO. Trainings are run through Malo, Ambae, Tanna (60-70%), 20% trainings launched in Malekula, Gaua, Vanua Lava and this year (2017) the same training as been carried out on Epi and North West Santo.</p> <p>Training in Pentecost is expected to be launched in August 2017 to fix customary boundaries, and capacity building for chiefs. However, due to internal chief issues the CLMO team executed the training on North West Santo instead.</p> <p>Amendments to the Act have been completed and the training material reviews done. The amendment to the Act is in the process of getting COM approval before it can be gazetted. The training materials are still distributed according to the new Act and trainings are still conducted following the new Act. The Amendment is expected to be approved by the end of this year 2017 or early 2018.</p> <p>iii. <i>Registration of customary land</i> - Identification and recording has been delayed due to the new Act, which is expected to go through the next Parliament sitting in November. To date, the CLMO officers have registered over 30% of customary land in all provinces</p>	11/17



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				NOTE: In 2014 the Land Tribunal was abolished and substituted by the Customary Land Management Office.	
	Department of Lands (MLNR) to lead	2016	<p>SYSTEM FOR FAIR LAND DEALINGS Department of Land to address barriers to fair land dealings including through:</p> <p>i. Backlog of outstanding acceptable applications is eliminated by 2012</p> <p>ii. Time for registration of acceptable land applications (new lease, lease transfer, mortgage, etc.) is reduced to 20 business days by 2013</p> <p>iii. Draft and COM approval of a Strata Policy and amendment of the Strata Title Act by 2013</p> <p>iv. Draft and COM approval of a Subdivision Policy and approval of Subdivision Regulations by 2013</p> <p>v. Update of Valuation database for Port Vila by 2013</p> <p>vi. Collection of outstanding land rent (VUV 500 million) by 2013</p> <p>vii. Amendment to Land Lease Act and Valuation Act by 2015</p> <p>viii. Investigate possibilities for a Land Law which consolidate all legislation related to land by 2015</p> <p>ix. Strengthen the land survey network by 2016</p>	<p>b) SYSTEM FOR FAIR LAND DEALINGS</p> <p>i. The work done to reduce outstanding of backlog of applications lodged with the registry section was completed in July 2013.</p> <p>ii. Registration time reduced to 10 days.</p> <p>iii. Strata Title Policy gazetted in February 2014 specifically for buildings.</p> <p>iv. Subdivision policy was launched last year. While other works on amendments to other Laws which relate to the Policy are currently underway.</p> <p>v. Valuation database update for Luganville and Port Vila has been completed.</p> <p>vi. Collection of outstanding land rent still continues to date. Some files that are not part of the land rent have been identified (including non-existent titles and duplicates) and this has been relayed to the Department of Finance to remove from their system. The Forfeiture exercise has proven to be an effective tool in collecting outstanding rent.</p> <ul style="list-style-type: none"> o To note, the Lands Department has collected over the budgeted revenue forecast for 2016. Vt175, 225,956 was collected compared to the budgeted forecast of VT 111,900,000. <p>vii. A minor amendment to the Land Lease Act was passed by Parliament in 2013 to complement the new Land Reform Act.</p> <p>viii. At this point in time, it is not a government policy to pursue this.</p> <p>ix. Regarding the Control Points in Port Vila, the team has put work on hold due to the Port Vila Urban Development Project and Beautification Project works currently taking place. Surveyors had temporarily established control points from the Nambatu roundabout right up to the Airport but had to remove them due to the road construction works currently taking place.</p> <p>x. Land Survey Geodetic works in Luganville has been completed and will be expanded into peri-urban and Bombua at a later stage.</p>	04/18



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				NOTE: For land zoning refer to recommendation (7b)		
11	Draft and implement a Competition Policy and Law	Department of Strategic Planning Policy and Aid Coordination (PMO) to lead MTTCNVB to support	2014	<p>i. A Competition Policy reviewing the Vanuatu's environment for competition protection and providing recommendations for its enhancement is finalised and approved by COM by 2013</p> <p>ii. A Competition Act based on policy recommendations is drafted and approved by Parliament in 2014</p>	<p>i. An advisory group has worked with ADB consultants to produce an issues paper and a draft competition policy.</p> <p>ii. With the proposed Competition Policy still in its draft stages, it was recommended to formally establish a committee with similar membership to the former advisory group comprising of government officials and private representatives related to competition. The Competition Framework Committee's TOR was endorsed at the 03NTDC/2016. Further work to finalize the policy was requested by the committee for the ADB consultants to build on the draft policy which includes an Action Plan. The Committee is in the process of finalizing the Action Plan to the draft policy that will be validated by the Council of Ministers.</p>	04/18
12	(a) Strengthen trade-facilitation functions of Customs Department (including establishing a training & certification system for pre-clearance agents); and competent.	Department of Customs and Inland Revenues (MFEM)	2016	<p>i. A Customs Bill based on OCO model legislation is finalised and approved by Parliament by December 2012, which <i>inter-alia</i>, clearly defines responsibilities of Customs Agents</p> <p>ii. Trade Facilitation Units (Rules of Origin and Customs Valuation) are established in DCIR by the end of 2013</p> <p>iii. An assessment of Customs Agents is carried out which, based on the enhanced legal/institutional landscape, provides recommendations on certification/training of Customs Agents by the end of 2014</p> <p>iv. Recommendations on training/certification of Customs Agents are implemented by the end of 2016</p>	<p>i. The miscellaneous amendment to the Customs Act No 7 of 2013 was enacted through parliament in 2016 and have received notifications that it has been the gazetted by State law office last year 2017. We are yet to conduct internal and external sessions of all officers and stakeholders regarding the changes.</p> <p>ii. 9 examination officers already recruited, whilst the new structure for DCIR was submitted to PSC however due to the magnitude of the structure, endorsement by the commission will be made on a piecemeal approach. As such the Customs border structure was the first to be approved by PSC and upon which an additional 12 plus 2 examination officers have been recruited (appointment letters received on the first week of October 2017) for the primary line functions Customs will be taking over from immigration.</p> <p>iii. A new set of regulations (Customs Regulation Order No. 113/2014) has been established that defines procedures to obtain a License for Custom Agent. The regulations were gazette in June 2014.</p> <p>o Licenses are being issued to Customs Agents who passed the broker exam held in February 2014. 1/3 of the candidates passed their exams. Unsuccessful Customs Agents have been deleted from ASYCUDA.</p> <p>iv. The VQA have developed competencies requirement for the following 2 certificates: <ul style="list-style-type: none"> • Certificate III in International Freight Forwarding (Operators) • Certificate IV in International Freight Forwarding (Senior Operators) </p> <p>Once finalized, training modules of the two certificates will be later developed whilst an accredited institution will be identifying to offer the trainings. We still have not received any responses from VQA as to when they will come up with the module and or</p>	04/18



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					syllabus to start offering training courses on customs brokerage and freight forwarding. Despite the long wait Customs in collaboration with the Customs brokers and freight forwarders association is planning to jointly conduct an examination on customs procedures sometimes this year.	
	(b) provide adequate port infrastructures for Customs inspection	<p>Vanuatu Project Management Unit (PMO) and MIPU-CSU lead on project management /contract management</p> <p>Department of Ports & Harbours (MIPU) leads on site supervision</p> <p>Department of Customs and Inland Revenues (MFEM) to</p>	2016	b) The Port Vila Lapetasi International Multi-Purpose Wharf development project is completed by 2016	<p>b) Construction is 100% complete on the Port Vila Lapetasi International Multi-purpose wharf Development Project and has been handed over to the Vanuatu Government on the 9th February 2018.</p> <p>Completion percentages of works on site include:</p> <ul style="list-style-type: none"> ○ Administration Building, Utility Shed, Workshop Building, Container Freight Station, Refuelling Station 100%, ○ Exterior Works 100% ○ Reefer Tower 100% and ○ Gate House 100%. <p>Completion percentages of additional works on site include:</p> <ul style="list-style-type: none"> ○ 2 additional Bollards 85% 	04/18



		support														
13	Reduce stevedoring and electricity costs	<p>a) STEVEDORING</p> <p>MIPU-CSU to lead</p> <p>Department of Finance and Treasury (MFEM) and Department of Strategic Planning Policy and Aid Coordination (PMO) to support</p>	2013	<p>(a) STEVEDORING (Port Vila)</p> <p>i. Loan for The Port Vila Lapetasi International Wharf is approved by Parliament by 2012</p> <p>ii. New stevedoring concession contract incorporating changes recommended by the World Bank is signed by Ifira Port Development Services (see note 7) by 2012 as a pre-condition to release funds for the Port Vila Lapetasi International Wharf</p> <p>iii. New stevedoring concession contract brings cost of export/import in line with the Asia-Pacific average (USD 856 and USD 884 in 2014)</p>	<p>(a) STEVEDORING (Port Vila)</p> <p>i. Completed</p> <p>ii. Completed. JICA approved an additional funding in the form of a loan. Constructions commence third quarter of 2015.</p> <p>iii. Costs of imports/exports per container is unchanged (see table below)</p>	04/18										
				<p>(b) STEVEDORING (Luganville)</p> <p>i. A new competitive stevedoring concession contract in Luganville is awarded by 2012 (when old concession is due to expire)</p> <p>ii. New stevedoring concession contract brings costs of export/import in line with the Asia-Pacific average (USD 856 and USD 884 in 2014)</p>	<p>(b) STEVEDORING (Luganville)</p> <p>i. Completed, a new concession has been awarded to NISCOL. The current contract agreement with Vanuatu Government will expire on 29 November 2015. The concession has recently received an adverse legal opinion by the State Law Office NISCOL is now under the responsibility of the Ministry of Internal Affairs.</p> <p>ii. Costs of imports/exports per container is unchanged</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Cost to export (US\$ per container)</th> <th>Cost to import (US\$ per container)</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>1,272</td> <td>1,087</td> </tr> <tr> <td>2011</td> <td>1,340</td> <td>1,160</td> </tr> <tr> <td>2012</td> <td>1,490</td> <td>1,440</td> </tr> <tr> <td>2013</td> <td>1,490</td> <td>1,440</td> </tr> </tbody> </table>		Year	Cost to export (US\$ per container)	Cost to import (US\$ per container)	2010	1,272	1,087	2011	1,340	1,160	2012
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				2014	1,490	1,440		
				<p>NOTES:</p> <p>(1) data sourced from IFC doing business report – trading across borders</p> <p>(2) Under the new government administration the portfolio for NISCOL has been moved to the PMO whilst Ifira Port Development Services remains under MIPU.</p>				
	© ELECTRICITY	2013	<p>INSTITUTIONAL/LEGAL</p> <p>a) The Vanuatu’s Energy Road-Map is approved by 2013</p> <p>b) Officers are recruited in the Department of Energy in line with PSC-approved structure by 2013</p> <p>c) Legislation with an impact on electricity costs is reviewed by 2013 with the view of proposing amendments to reduce electricity bills in line with the Road-Map, for example on:</p> <p>i. Fuel taxation</p> <p>ii. Regulation of monopoly supply for fuel/gas</p> <p>iii. URA role in price setting</p> <p>iv. Business support via cross-subsidisation</p> <p>v. Discipline of renewable energy generation and use</p>	<p>INSTITUTIONAL/LEGAL</p> <p>a. DoE together with the assistance of GGGI and World Bank has reviewed the NERM 2013-2020 and launch the updated NERM 2016-2030 late last year 2016..</p> <p>Below are the updates from the updated NERM 2016-2030;</p> <ul style="list-style-type: none"> • Development of fuel station in Malekula and Tanna which will greatly impact the price of fuel (i.e. cost of fuel in Malekula and shortly in Tanna will be the same as in Port Vila/Luganville) • 501kW grid connected Solar farm-Undine Bay (Unelco-Vanuatu Services) • 767kW Grid connected Solar Farm Port Vila (Parliament and MoCC compound) • Currently constructed 1 MW grid connected Solar farm-Kawene (Devils Point) • Realization of Energy Efficiency Act • Review of Energy Acts and/or legislative frameworks • Realization of 5 Biofuel Micro Grid systems. • Phase II of Vanuatu Rural Electrification Program <p>b. DOE to date has filled in all key senior roles apart from the two Technical Managerial roles that are yet to be recruited. As of last year DoE have made a recruitment only which is the Manager Finance, Procurement and Administration.</p> <p>c. The URA has released the final decision in January 2017, which has been gazetted on 2nd of February 2017, stating a tariff reduction of 10.44% from 40.52 to 36.29 Vatu/kWh effective as of 1st of February 2017.</p> <p>i. Fuel Taxation DoE</p> <p>ii. Regulation of monopoly supply for fuel/gas</p> <p>DoE has engaged an external consultant (Jones Day) along with the assistance of the URA have been able to develop legislative</p>				04/18



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					<p>reforms necessary to support Vanuatu's NERM. The URA has proposed a separate legislation for the regulation of Petroleum & LPG products that will not be part of the URA Act. This separate legislation will give power to the URA for LP regulation and petroleum price monitoring. The proposed drafting instructions of this framework to State Law Office alongside the Department of Energy.</p> <ul style="list-style-type: none"> • Price monitoring and regulation for petroleum products (pending). The LPG and Petroleum position paper is currently with SLO and undergoing drafting. <p>iii. URA role in price setting Also as part of the URA amendments to take place;</p> <ul style="list-style-type: none"> • Improving the function and performance of the URA (pending) – The URA staff have proposed amendments for the URA Commission to consider and deliberate before it is presented for amendment. • Reducing URA's dependence on Govt. & donor funds. FSP passed in parliament in November 2016 allows USA to collect levies from Utilities. As far as UNELCO is concerned, a constitutional case sought by UNELCO against Gov and URA has been heard and the Supreme Court Rule in favour of URA. <p>iv. Business support via cross –subsidisation</p> <p>URA ordered creation of Business Development Incentive tariff, providing 30% discounts to new or expanding customers. Judgement released on the 18th of November 2016. Unelco has the right to seek arbitration if it does not agree with URA's BDI tariff according to the concession contract. This scheme under recent Court Appeal whilst in favour of UNELCO, the court has instructed that URA work together with UNELCO to work closely on this to clear out technical issues impacting either party or consumers.</p> <p>v. Discipline of renewable energy generation and use</p> <ul style="list-style-type: none"> ○ Discussions on-going regarding a 1MW solar installation to be partly funded by the EU. A COM decision was made to go ahead with the solar plant. UNELCO to commence tendering of Engineering Procurement Construction (EPC) soon. The tender process have been completed and contract negotiation with the winning bidder is currently underway. Should the contract be signed off end of this month or early next month then we are anticipating a timeframe of 10 months for the completion and commissioning of the system. Hence we are looking at December 2017 or January 2018 for the official launch. ○ The FIT scheme that subject to appeals court instigated by UNELCO was ruled in favour by Supreme Court on 22 September 2016. Court of Appeal was handed down on November 18, 2016 requiring UNELCO to clear out technical issues impacting either party or consumers. ○ On this same note, the Supreme Court has ordered that according to the Electricity supply Act, any persons (individual or business) may generate electricity for their own use. Recent URA announcement on this fact to the public is that there 	
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				<p>are some responsibilities that an individual who wishes to generate is to do and that is to inform UNELCO in writing at least a month prior to starting generation. More importantly, even if they are generating electricity for self-use, they must adhere to the technical requirements set by URA.</p> <ul style="list-style-type: none"> ○ Diesel price comparison report, June 2016 demonstrates that electricity customers of UNELCO and VUI have benefited from the drop in fuel prices. This is as a result of a drop in international prices caused by an over-supply in international market. Although the USD had appreciated over the VUV, the impact was quite insignificant. If the USD continues to appreciate over VUV, it might have an adverse impact on the current low international price of diesel. ○ In April 2017, 84.7% of energy was from diesel, with the remainder being from renewable sources. 	
		2014	<p>CONCESSIONS: Port Vila, Efate</p> <p>a) Review UNELCO concession contract to determine best option for Government action to reduce electricity bills</p>	<p>CONCESSIONS: Port Vila, Efate</p> <p>a. The URA along with DoE having been working closely to review the concession contract and the URA act in order to align with the utility and consumer interests. However, no works on the review have been done yet. The URA Act, ESA Act, Petroleum and Geothermal Acts are currently at their drafting stages.</p> <ul style="list-style-type: none"> • The URA is also near its completion of the Port Vila electricity tariff review which covers all three of Unelco's concession (Port Vila, Tanna, Malekula). A Preliminary Decision has been issued on 13th September 2017 to which a base price has been determined at 38.56 Vatu/kWh showing a reduction of 19.07% (previous price- 47.65 Vatu/kWh). Also, URA and UNELCO are currently negotiating tariff to arrive at an amicable price which is affordable. 	11/17
		2013	<p>CONCESSIONS: Luganville, Santo</p> <p>a. A concession contract is awarded by the Government by 2013</p>	<p>CONCESSIONS: Luganville, Santo</p> <p>a. The expression of interest that was issued by DoE requesting interested parties to bid for the Luganville concession has closed. Stage 1 of the tender has been completed and now identification of the shortlisted bidders are in progress and beginning.</p> <ul style="list-style-type: none"> • First phase of the re-tender have been completed and is up for the evaluation of the bidders whom have expressed their interest. • Given legal issues relating to previous tender, the second phase of the tender (Advertisement to shortlisting bidders) is anticipated commence end of October 2017 or early November. 	11/17
		2013	<p>CONCESSIONS: Tanna & Malekula</p> <p>a) Review UNELCO concession contract to</p>	<p>CONCESSIONS: Tanna & Malekula.</p> <p>a) Amendments to the URA act has been reviewed and is under drafting stages at the SLO, with these amendments the URA</p>	11/17



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				determine best option for Government action to reduce electricity bills	will be in a better position to deal with tariff reviews concerning the Unelco concession. <ul style="list-style-type: none"> To add on, Malekula and Tanna tariff reviews are combined with the Port Vila tariff review as the maximum tariff price set will be applicable to all three concessions operated by Unelco. 	
		2013	OFF-GRID DEVELOPMENT	<ul style="list-style-type: none"> a) The Vanuatu Electricity for Rural Development Programme (VERD) starts being implemented in 2013 b) Support to off-grid private ventures in goods and service (including tourism) is disbursed 	<p>OFF-GRID DEVELOPMENT</p> <ul style="list-style-type: none"> a) Leading on from the Port Olry Bio-fuel project funded by EU, DoE started works in 2015 on two other bio-fuel project, one in Torba and the other in East Ambae. The Biofuel system has been launched and commission however, are not in operation yet due to very minimal load and household wiring safety issues that needs to be addressed. DoE is currently in close consultation with Torba and Penama Provincial Council and other stakeholders to seek potential funding's to support Household. <p>In addition to that the URA has set up the Government fund and Santo fund out of the tariffs charged to Luganville electricity customers to assist in these off-grid projects (see details in final commission order for VUI case U-0001-16 released in January 2017).</p> <ul style="list-style-type: none"> VREP I is current under its 2nd year of implementation, seeing 600 plus Households benefiting from this subsidized based project. Phase 2 of the project designing completed and grant agreement was signed in September 2017. DoE has received approval by the WB Board for the Project at total of US\$114.17m to provide subsidy to Solar Home Systems (SHS) and micro-grids for rural households, public institutions, communities and business. DoE will be talking to the utilities and URA about the management, operations and tariff of these mini-grids once confirmed and before they are installed. VREP we will continue operating in parallel to meet the demands of those who cannot afford large systems. Currently products sales has reached over 1, 7000 products and more than 1,600 households benefiting from the program. DoE is in the process of finalizing the management system especially with the Mini and Micro Grid options. b) As for other off-grid mini-grids, DoE is working on ensuring that the Talise Hydropower is completed by end of October 2017 and should be operational by then. There are also plans to connect Wintua Village and potentially Lorlow Village on South West Bay through an Austrian funding and this is currently being worked on. However, due to some unexpected circumstances, Talise Phase 2 may run through early next year 2018 for completion. Discussions are currently undergone with Contractor on the new timeline. 	11/17



14	Establish a robust SPS/TBT architecture	<p>Department of Strategic Planning, Policy, and Aid Coordination (PMO) to lead</p> <p>Department of Biosecurity (MALFFB), Department of Fisheries (MALFFB) Food Development Technology Centre (MTTCNVB), Department of Health (MOH) to support</p>	2016	<ul style="list-style-type: none"> i. Review of SPS/TBT architecture finalised and endorsed by COM ii. Package of legal reforms drafted in line with recommendations of the review and approved by Parliament iii. SPS/TBT training, infrastructure, and equipment needs established iv. SPS/TBT officials trained v. SPS/TBT infrastructure built vi. SPS/TBT equipment purchased 	<ul style="list-style-type: none"> i. Recommendations of the high-level study on the SPS/TBT architecture were submitted to NTDC 2/2014. ii. Based on NTDC 2/2014 recommendations two (2) papers on the establishment of a Vanuatu Bureau of Standards (VBS) and a National Diagnostic Laboratory (NDL) have been approved by the DCO. A consultation was again recently carried out in June 2016 on the draft with representation from a wide range of government departments and the private sector. The GfG has approved funding for support to establish the VBS, but the project requires the passing of the VBS Bill. The Bill is planned to go to the Parliament in the Session commencing on 21 November. N/A iii. N/A iv. A project proposal for the funding of the NDL and VBS was submitted to JICA, but declined. The TDD is reviewing options for how to proceed, however, Funding is yet to secure. v. N/A 	04/18
15	Implement the Act establishing a Chamber of Agriculture	MALFFB-CSU	2014	<ul style="list-style-type: none"> i. Donor funding is secured to pilot the Vanuatu Chamber of Agriculture in 2012/2014 ii. The pilot phase results in tangible improvements in representation of farmers' instances and market 	<ul style="list-style-type: none"> i. N/A ii. N/A iii. N/A v. N/A 	N/A



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				<p>access for their products</p> <p>ii. By 2013 positive achievements of the Chamber of Agriculture justify the establishment of a sustainable funding mechanism to finance its operations</p> <p>v. The sustainable funding mechanism is approved by the Government and resources are secured</p>		
16	<p>Liquidate and close the Vanuatu Commodity Marketing Board</p>	<p>Department of Strategic Policy, Planning and Aid Coordination (PMO) to lead</p> <p>MALFFB and MTTCNVB to support</p>	2013	<p>i. The Parliament Bill repealing VCMB Act is gazetted by 2013</p> <p>ii. The VCMB ceases its operations</p> <p>iii. Existing functions are discontinued or, if useful, allocated to relevant Government Departments</p>	<p>i. NTDC 1/2013 tasked the Ministry responsible for Trade to elaborate a proposal for a new architecture suitable to replace VCMB.</p> <p>ii. Since the design of the project presented at the NTDC Meeting 3/2014, the VCMB Board has carried out consultations in the Provinces of Torba, Sanma and Penama on the proposed APRA Bill. The Bill is yet to be finalised.</p> <p>iii. N/A</p>	04/18



17	<p>Establish analytical tools to estimate labour demand and current/prospective supply</p>	<p>Vanuatu National Statistical Office (MFEM) to lead</p> <p>Department of Labour (MIA), Division of Educational Services (MOE), and Vanuatu National Training Council (MYDST), and TVET centres (MYDST) to support</p>	2013	<p>i. Assistance is secured to support the establishment of regular data collection/dissemination on labour demand & supply from the Vanuatu National Statistical Office (VNSO)</p> <p>ii. Data-collection strategy is agreed</p> <p>iii. Data-collection of labour demand and current/prospective supply are carried out by relevant Departments and coordinated by the VNSO (See note 8)</p>	<p>i. No progress at this stage. VNSO does not have any regular labour market survey or labour force surveys that can allow for dissemination (last Labour Survey 2000). Apart from that, the office collects limited labour force data from the Income and Expenditure Survey (HIES), the Population survey, and other surveys. However, the VNSO recommends an update of the study and the best way is to secure funds to roll out the survey.</p> <p>ii. Will follow from the above bullet-point</p> <p>iii. Initiatives to fill the data gaps are being undertaken:</p> <ul style="list-style-type: none"> ○ The TVET Program has recruited a workforce planning/labour market analysis specialist to undertake “Skills Development Plans” for each province of Vanuatu which is to be aggregated into a national Human Resource Development Plan. As of February 2015, Skills Development Plans have been completed for all provinces. • VQA has drafted a "Guidelines for the establishment for professional bodies" to assist in collection of information about membership to each professional body that is to be inputted into VQA's database. The Guidelines are now ready to take for consultation with existing professional bodies. However, VQA is aware that VCCI is also pursuing the interest to develop the same guidelines therefore VQA is talking to them if they could partner up in this task. However, as of date, no progress has been done on this matter. <p><i>NOTES</i></p> <p>(1) VNTC is now renamed as VQA</p> <p>(2) MOE has now responsibility for TVET and VQA and is renamed as MOET</p>	04/18																
18	<p>Increase and upgrade Vanuatu's pool of:</p> <p>a) school teachers; and</p>	<p>Division of Education Services (MOE)</p>	<p>Ongoing</p> <p><i>annual reporting</i></p>	<p>a) SCHOOL TEACHERS</p> <p>The number of school teachers who are certified by recognised authorities is brought in line with demand for quality education</p> <p><i>Indicators</i></p>	<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 15%;">Indicator</th> <th style="width: 10%;">2010</th> <th style="width: 10%;">2012</th> <th style="width: 10%;">2013</th> <th style="width: 10%;">2014</th> <th style="width: 10%;">2015</th> <th style="width: 10%;">2016</th> <th style="width: 10%;">2017</th> </tr> </thead> <tbody> <tr> <td>Enrolment Years 1 – 6</td> <td>41,783</td> <td>43,901</td> <td>44,182</td> <td>45,697</td> <td>45,931</td> <td>38,961</td> <td>48,705</td> </tr> </tbody> </table>	Indicator	2010	2012	2013	2014	2015	2016	2017	Enrolment Years 1 – 6	41,783	43,901	44,182	45,697	45,931	38,961	48,705	11/17
Indicator	2010	2012	2013	2014	2015	2016	2017															
Enrolment Years 1 – 6	41,783	43,901	44,182	45,697	45,931	38,961	48,705															

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b) vocational trainers	a) Students-Teacher Ratio (Primary)	Enrolment Years 7 –13	18,298	18,239	18,843	19,974	20,568	18,240	19,009
	b) Students-Teacher Ratio (Secondary)	Students-Teacher Ratio - Primary	25.6	25.3	25.7	25.5	24.6	22.4 (a)	28.0 (c)
	c) Certified primary teachers	Students-Teacher Ratio Secondary	16.1	19.4	19.4	19.9	20.6	18.5 (b)	19.3 (d)
	d) Certified secondary teachers	Certified primary teachers	1,136 (69.5%)	995 (57.3%)	1030 (60.0%)	1,095 (61.0%)	1175 (63.0%)	1,384 (79.6%)	1,384 (79.6%)
	e) Survival rate to year 6	Certified secondary teachers	458 (40.3%)	573 (61.0%)	628 (64.6%)	704 (70.0%)	693 (69.4%)	944 95.7%	944 95.7%
	f) Transition rate from year 6-7	Survival rate to year 6	74.6%	83.6%	70.8%	81.2%	79.1%	67.1%	65.9%
	g) Survival rate to year 13	Transition rate 6-7	87.4%	86.4%	85.2%	86.7%	85.2%	72.7%	80%
		Survival rate to year 13	9.8%	11.7%	9.5%	21.6%	20.1%	12%	13.6%
		NOTE: Calculations:							
		a) 41,783/1,635							
	b) 43,901/1,735								
	c) 44,182/1,716								
	d) 18,298/1,137								



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					<p>e) 18,239/939</p> <p>f) 18,843/972</p> <p>g) 45,697/1,794</p> <p>h) 19,974/1,005</p>	
		<p>Vanuatu National Training Council (MYDST)</p> <p><u>See note 9</u></p>	<p>Ongoing</p> <p><i>annual reporting</i></p>	<p>b) VOCATIONAL TRAINERS</p> <p>Number of vocational trainers who are certified by recognised authorities is brought in line with demand for vocational training.</p> <p>Indicators</p> <p>i. Number of certified trainers in key areas of skill demand, by province</p> <p>ii. Projected requirements of provincial skill development plans</p>	<p>b. VOCATIONAL TRAINERS</p> <p>i. As of 2014, a total of 2019 trainers received certified VQA trainings through the TVET Sector Strengthening Program (TVET SSP) whereby 27 trainers from priority industry areas received Certificate IV Training and Education (TAE) by the Australia Pacific Technical College (APTC). In addition, a new Vanuatu Qualifications Framework (VQf) for TVET teachers was finalized with support from TVET SSP was approved by COM in 2014, and is currently being implemented.</p> <p>ii. VITE has been tasked to implement the TVET teachers and managers qualifications but with the lack of funding the qualifications are not yet delivered. VQA is in the process of developing one of these qualifications which is the Certificate IV in Teaching and Learning (TVET).</p> <ul style="list-style-type: none"> All provincial Skills Development Plans were finalized in February 2015. <p>NOTES</p> <p>(1) VNTC is now renamed as VQA</p> <p>(2) MOE has now responsibility for TVET and VQA and is renamed as MOET</p>	<p>11/17</p>



19	<p>Establish an effective framework for the provision of education and TVET, including through:</p> <p>a) For education, revising Vanuatu's School Curriculum (VSC) to, <i>inter-alia</i>, make it more relevant to the needs of the labour market</p> <p>b) For TVET, establishing competency standards to improve TVET provision;</p>	VSC	2015	<p>a) VSC</p> <p>i. National school curriculum is revised and, <i>inter-alia</i>, made it more relevant to the needs of the labour market:</p> <ul style="list-style-type: none"> o Year 1-6: 2013 approved by the National Education Committee (NEC); 2014 implemented o Year 7-10: 2014 approved by NEC; 2015 implemented o Year 11-13: 2012 approved by NEC; 2013 implemented <p>ii. A Vanuatu National Secondary Education Certificate is in place by 2015</p>	<p>a) VSC</p> <p>i. National school curriculum</p> <ul style="list-style-type: none"> o Year 1 syllabus has been fully implemented since 2016 with Year 2 syllabus currently being implemented. Year 1-3 reading books (called Graded Reader) have already been printed and dispatched to schools. However, The translation of graded readers in 59 local languages are done, formatted and are now on process for printing. <p>Teacher training to implement the new primary curriculum is well underway and are taken by the In-Service Training Unit (ISU) at VITE. The training follows the sequence of the resources development. This is due to the Language Policy that was recently enacted where teachers are required to teach children in their first language such as Bislama or their Vernacular language in all provinces, from class 1 to class 3</p> <p>Teachers Guide & Support Services for Year 4 teachers is being developed and expected to be rolled out by 2018.</p> <ul style="list-style-type: none"> o Year 7-10 Syllabuses and Year 11-13 Syllabuses has been prioritized and CDU is currently working on this, with Year 7 and Year 11 syllabus expected to be rolled out by 2018. However, the implementation will begin from year 7 and year 11 and if targets are met and funding is available for completion, printing and training, the rest will be rolled out. <p>ii. The roll-out of the new Syllabuses (implementation) will start in 2015 with Year 11. A French expert funded by the Organization Internationale pour la Francophonie (OIF) is working on this and the Curriculum Development Unit (CDU) will follow the advices and recommendations to move forward. CDU will use the report by the expert to seek funding support.</p> <p>b) The Vanuatu Senior Secondary Certificate (VSSC) for both Francophone and Anglophone was finalized and has been implemented since 2015.</p> <p><i>**A syllabus (from modern Latin syllabus "list") is an outline and summary of topics to be covered in an education or training course</i></p>	11/17
		c) COMPETENCY STANDARDS	2012	<p>b) COMPETENCY STANDARDS</p> <p>i. The system of competency Standards developed by VNTC is endorsed by COM by 2012</p> <p>ii. Approved competency standards are regularly reviewed</p>	<p>b) COMPETENCY STANDARDS</p> <p>i. Post School Education and Training Registered Providers are using the training packages to develop their programs for accreditation by VQA 33 courses. These courses have been developed using the National Competency Standards.</p>	04/18



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	and			to ensure that training is aligned with labour demand	ii. N/A	
	c) For both, developing a National Qualification Framework (NQF) to optimise the recognition of educational /TVET achievements	Vanuatu National Training Council (MYDST)				
		c) NQF	2013	c) NQF i. Concept paper on the restructuring of the Department of Youth Development Sport and Training (DoYDST) and VNTC is approved by COM by mid-2013 ii. Vanuatu Qualification Authority Act is passed by Parliament and gazetted by 2013 iii. Recruitment of new officers takes place in 2013 (<i>see recommendation 20</i>) iv. National Qualification Framework is completed and approved by the COM by 2013	c) NQF i. Concept paper was approved by DCO and COM in 2012 ii. VQA Act approved by Parliament and gazetted in June 2014 iii. See recommendation 20 iv. The Vanuatu National Qualifications Framework was approved by DCO and COM and it was launched on 5 September 2014. NQF policy was posted on the VQA website for public information. Following COM resolution on referencing of Vanuatu Qualification Framework (VQF) against Pacific Qualification Framework (PQF). The VQF is now in reference with the PQF and the referencing report shows VQF levels are comparable with PQF levels. Referencing with the Transnational Qualifications Framework of the Commonwealth is underway and VQA waits for the report of the referencing. VQA received the draft referencing report of VQF against TQF. VQA has commented accordingly and has sent it back to Commonwealth of Learning in Vancouver, Canada. And now awaits response from CoL.	04/18
20	Provide additional resources for the management of TVET including	MYDST-CSU	2015	a) TVET DIVISION i. The TVET Division within DoYDST is strengthened in line with recommendations of the DoYDST/VNTC Concept Paper, with staff increased from current 1 unit to 13 units	a) TVET DIVISION i. The TVET Division has recruited 3 staff since July 2015; the Principal Education Officer; RTC/TVET Senior Education Officer on contract; and an officer in the Scholarship Unit.	04/18



<p>through:</p> <p>a) Strengthening the TVET Division of the Department of Youth Development, Sports and Training to improve oversight/delivery of TVET; and</p> <p>b) Strengthening Vanuatu National Training Council to improve assessment of quality and relevance of TVET providers</p>		<p>by 2015</p> <p>b) VQA</p> <p>i. Vanuatu Qualification Authority (VQA) staff dealing with Quality Assurance and Compliance of TVET providers is increased from current 1 unit to 3 units by 2013</p> <p>ii. VQA total staff is increased from current 7 units to 20 units by 2015</p> <p>iii. VQA operational budget increases from current VT 8 million to at least VT 40 million by 2015</p> <p><u>See note 9</u></p>	<p>TVET Program is currently supporting the:</p> <ul style="list-style-type: none"> ▪ Tertiary Directorate in the development of the PSET Policy Implementation Plan. Vanuatu Post School Education and Training (PSET) Policy 2016-2020 and Implementation Plan has been complete, approved and launch in 6th June 2017. The PSET policy is been advocated to ALL relevant stakeholders through few meetings in SHEFA combining TAFEA and SHEFA Province and another meeting organised in Luganville Santo for MALAMPA, PENAMA, SANMA and TORPA Province. • Language Literacy and Numeracy policy has been approved and launch by Honourable Minister of Education and Training on the 6th June 2017 at Holiday Inn hotel in Port Vila. LLN Implementation Framework consultation is schedule for 1st November 2017. After this consultation the LLN Implementation Framework should be approved and used. • The Australian Government has funded the fourth phase of the TVET program-Skills for the Economic Growth for another 7 years started in 1 July 2016. As the premises of the fourth phase, focus is on mutual accountability and core contribution with the priority productive sector and the Vanuatu skills Partnership. Three (3) sectors have signed this Partnership agreement and it is the Agriculture, with focus on Agribusiness Skills development; Tourism, with focus on Tourism Skills development for Ni-Vanuatu tourism businesses; Handicraft, with skills training in Handicraft sector. There is already a signed MoU with Department of Industry and VSTAP Program to support the skills development for handicraft suppliers in the four provinces to produce local handicraft products and link with the growing tourism industry. <p>Work is currently happening with the DG's office and Director of Tertiary Directorate office to develop Legislation for the recently launched PSET Policy. A consultant has been hire by Vanuatu Skills Partnership to come and work with Tertiary division within the MOET and the draft legislation has been in place and the consultation was scheduled for November 2017.</p> <ul style="list-style-type: none"> ▪ The DG is currently in discussion with the Vanuatu Skills Partnership (TVET) for the Vanuatu Skills Partnership to engage a Legal Adviser to work with State Law on the recommendations presented in the initial review of the existing Legislations. The draft review plan and the proposed changes and addition will be going through stakeholder consultation in April 2018 before submission to Parliament for amendment to be made. <p>b) VQA</p> <p>i. VQA Strategic Plan 2015-2020 and Corporate Plan 2015-2017 have been developed and was launched on the 21 August 2014. VQA currently has 3 staff at the quality assurance unit.</p> <p>ii. VQA has recruited 3 additional staff making a total of 16 staffs working with the Authority now.</p>	
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					iii. The budget for VQA for 2017 has increased to 30 Million Vatu.	
21	Amalgamate/rationalise tertiary education providers	Department of Strategic Planning, Policy, and Aid Coordination (PMO)	2015	i. Feasibility study on options to amalgamate/rationalise existing tertiary education providers, including recommendations on a road-map for reform, is finalised and approved by COM by 2015	i. [no progress]	11/14
22	Draft a Language Policy	Language Services Department (PMO)	2013	i. A Language Policy is finalised and approved by COM by 2013 ii. A Language Act is finalised, approved by COM, and passed in Parliament by 2013	i. The National Education Language Policy (ELP) has been approved by COM in 2012. The policy provides guidance to the development of the national curriculum. The policy promotes the use of first language in years 1 to 3 with transition to French or English during year 3. National awareness to teachers and communities with regard to the (ELP) have started in the 6 provinces Development of learning material and teaching material recommended by the ELP is on-going for year 1-3 ii. N/A	04/18
23	Re-convene the National Trade and Development Committee (NTDC) as the high-level inter-ministerial decision-making body on trade policy	MTTCNVB	2012	i. National Trade Development Committee is regularly convened. ii. A professional Secretariat is established to coordinate delivery of NTDC decisions. ii. NTDC decisions are implemented	i. Being successfully implemented ii. Being successfully implemented ii. Some NTDC decisions have been successfully implemented, whilst some are still pending.	04/18
24	Draft a Vanuatu Trade Act	MTTCNVB	2014	A Trade Act is drafted, taking into account finding of previous legal reviews, to:	i. N/A ii. Not implemented	04/18



				<ul style="list-style-type: none"> i. formally define functions of the Department of External Trade; ii. allocate responsibilities for relevant trade-related Acts to the MTTCNVB; and; iii. give legal status to the NTDC and its Secretariat 	<ul style="list-style-type: none"> iii. The MTTCNVB presented a first draft Bill for a Trade Governance Act (TGA) to establish a national trade governance structure including the NTDC and a technical level of Public Private Working Groups (PPWGs) at NTDC 1/2015. The bill was further developed for the NTDC 3/2015, and a complete new draft was presented to the NTDC 1/2016. The NTDC Secretariat is currently waiting for a COM paper instructing SLO to draft the legal bill to be approved. 	
25	Pilot participation of VIPA/VTO in key diplomatic missions	<p>Department of Foreign Affairs (MFAICET) to lead</p> <p>Vanuatu Investment Promotion Authority (MTTCNVB) and Vanuatu Tourism Office (MTTCNVB) to support</p>	2014	<ul style="list-style-type: none"> i. Donor funding is secured to pilot the secondment of one VIPA and one VTO official in two diplomatic missions for a two-year period ii. The pilot phase results in tangible improvements in FDI/tourism inflows iii. Positive achievements of the pilot phase justify the establishment of a sustainable funding mechanism to finance VIPA/VTO secondment to key foreign missions iv. The sustainable funding mechanism is approved by the of 2014 the Government and resources are secured 	<ul style="list-style-type: none"> i. The Australian Governance for Growth Program is in the process of extending the support to the secondment of a MTTCNVB officer to PT&I office in Sydney. The officer is currently in the process of finalizing his proposal to extend. His tasks are to facilitate market access for Ni-Vanuatu exporters of goods and services to Australia, and for Australian investors interested in investing in Vanuatu. ii. The Secondment to the PT&I has not directly resulted in inflow of FDI or tourism. iii. Objective not prioritised. iv. Objective not prioritised. 	04/18
26	Draft a VIPA Investment Promotion Strategy Framework	Vanuatu Investment Promotion Authority (MTTCNVB)	2016	<ul style="list-style-type: none"> i. A VIPA Investment Promotion Strategy is finalised and approved by COM by 2016 	<ul style="list-style-type: none"> i. The Funding of the National Investment Policy by VIPA through MTTCNB has been approved. The development of the Investment Promotion Strategy will follow on from the National Investment Policy. 	04/18
	AID FOR TRADE					



EFFECTIVENESS						
27	<p>a) To improve Aid-for-Trade effectiveness:</p> <p>b) Donor Partners must avoid unnecessary policy inflation and focus their assistance on supporting the implementation existing policies for the productive sectors</p> <p>c) Aid for Trade allocated to Vanuatu must be fully aligned with</p>	<p>Department of Strategic Policy, Planning and Aid Coordination (PMO) to lead</p> <p>MTTCNVB to support</p>	<p>Ongoing</p> <p><i>annual reporting</i></p>	<p>a) Aid-for-Trade does not decrease below 30% of total ODA allocated to Vanuatu</p>	N/A	N/A
	<p>Office of Government Chief Information Officer (PMO) and Department of Strategic Policy, Planning and Aid Coordination (PMO) to lead</p> <p>MTTCNVB to</p>	2013	<p>a) A study is undertaken by 2013 which provides recommendations for the establishment an Aid Resources Management System (ARMS) covering grants and loans</p> <p>b) Pending finalisation of the ARMS the Department of Strategic Policy, Planning and Aid Coordination to strengthens existing systems to monitor Aid resources, including Aid-for-Trade</p>	<p>a) Objective no longer pursued</p> <p>b) Updates on Aid resources managed by Ministry responsible for Trade and on the major national Aid for Trade projects are provided at each NTDC meeting</p>	N/A	



	<p>Vanuatu's comparative advantages and with the need to break Barriers to Trade.</p> <p>d) In order for alignment to be improved, support to tertiary productive sectors (services) should not only be limited to tourism</p> <p>e) Support to the primary and secondary productive sectors must also be increased and focused towards:</p>	<p>support</p> <p>Department of Strategic Policy, Planning and Aid Coordination (PMO) to lead</p> <p>MTTCNVB to support</p>	<p>Ongoing</p> <p><i>annual reporting</i></p>	<p>c) Aid-for-Trade is allocated to fill funding gaps identified by the Trade Policy Framework Implementation Matrix</p>	<p>c) Achieved – ongoing. Support from the Enhanced Integrated Framework, Australia and New Zealand have agreed to allocate a substantial amount of funds to fill the gaps identified by the Trade Policy Framework Implementation Matrix.</p>	<p>04/18</p>
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	TRADE NEGOTIATIONS					
28	(a) Draft a comprehensive WTO negotiating strategy to establish a discrete set	Department of External Trade (MFAICET)	2013	a) A WTO implementation strategy is finalised and approved by COM	a) Completed	04/18



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	of WTO negotiating priorities, and.					
	(b) build international alliances beyond the Pacific region		2013	b) Pilot a Vanuatu mission/representation to the WTO in Geneva, to be hosted in the COMSEC office for SIS	b) This recommendation has been completed. (i) Vanuatu is represented by the Pacific Islands Forum Secretariat (PIFS) Permanent Mission in Geneva, whose head is accredited as Vanuatu's representative to the WTO. (ii) This year (2017), Vanuatu is represented by Trade officer, Hannah Kausiama, who is currently in Geneva undergoing a six months internship. She will be joined by Trade Officer, Adolphe Bani, in March for 10 months internship at the PIFS office and WTO. (iii) Vanuatu mission likely to be established in Geneva in 2017.	04/18
	(c) Draft a WTO post-accession strategy		2013	c) A WTO negotiating strategy is finalised and approved by COM	c) Completed	04/18
29	Prioritize services negotiations and draft a negotiating strategy on services. Identify areas where Technical and Financial Assistance could be sought in exchange for Vanuatu's commitments in the services sector - for	Department of External Trade (MFAICET)	2013	a) A trade in services (TIS) negotiating strategy is finalised and endorsed by COM	a) Strategy completed	04/18



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<p>example: (i) De-Monopolization Commitments vs. Assistance to negotiate the breaking monopolies and compensating former monopolists; (ii) Commitments to establish Competition Laws/Authority vs. Assistance to set up and operate a competition regime; (iii) Commitments to services liberalization; (iv) Reciprocal commitments on labor mobility; (v) Commitments to facilitate foreign investments; and (vi) Assistance on training</p>					
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30	<p>Use goods negotiations to break BTT related to Customs and SPS/TBT issues, and to secure a ROO framework which is adequate to Vanuatu's processing capabilities. Pursue tariff liberalization up to the extent allowed by fiscal considerations. Protect the truly infant industries</p>	<p>Department of External Trade (MFAICET)</p>	<p>2013</p>	<ul style="list-style-type: none"> A trade in goods negotiating strategy is finalised and endorsed by COM 	<p>b) Trade in goods negotiating strategy is finalized.</p>	04/18
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31	<p>Vanuatu must prioritize agreements that can provide significant benefits:</p> <ul style="list-style-type: none"> a) Implementation of the MSG's arrangements on labour mobility b) An EPA c) A PICTA agreement on labour mobility d) PACER Plus e) Bilateral trade agreements with New Caledonia, Japan, and China 	Department of External Trade (MFAICET)	2016	<ul style="list-style-type: none"> a) EPA negotiations are finalised by 2012 b) PICTA agreement on labour mobility finalised by 2014 c) PACER Plus negotiations are finalised by 2015 d) Bilateral trade agreement with NC is finalised by 2015 e) Bilateral (or regional/sub-regional) arrangements with Japan and China are finalised by 2016 	<ul style="list-style-type: none"> a) A decision was made by EU-ACP for 3 years deferment of the negotiation of the comprehensive EPA. b) PICTA agreement on labour mobility finalized and pending ratification. c) PACER PLUS negotiations has been finalised and sign in September 2017 d) Bilateral talks commenced but no trade agreement negotiated. e) Initial talk with China in 2015/2016 but Vanuatu/China priorities appear not to cover this bilateral arrangement. <p>- No arrangement with Japan</p>	04/18
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