



Vanuatu

Country Profile

October 2008

Prepared by SPC Strategic Engagement, Policy and Planning Facility

Vanuatu Country Facts¹	
Country or territory official name	Republic of Vanuatu
Capital city	Port Vila
Government and legal status	Parliamentary Republic
Head of State – President	Kalkot Matas Kelekele
Head of Government – Prime Minister	Edward Natapei
Land area	12,190 square kilometres
Exclusive economic zone (EEZ)	3,120,000 square kilometres
Population (mid-2008 estimate)	233,026
Population density (mid-2008 estimate)	19 persons per square kilometre
Annual intercensal population growth rate	2.6 per cent
GDP (2007)	USD459,010 million
GDP per capita (2006)	USD2,127
Real GDP growth (2006 estimate)	5.5 per cent
CPI annual change (2007)	3.9 per cent
Exports (2007)	USD30.4 million
Imports (2007)	USD205.9 million
Trade balance (2004)	-USD175.5 million
Crude birth rate per 1,000	31.1
Crude death rate per 1,000	5.5
Total fertility rate	4.4 children per woman
Infant mortality rate per 1,000	25.0
Male life expectancy at birth	65.6 years
Female life expectancy at birth	69.0 years
Urban population	21 per cent
Dependency ratio (15-64)	78
Median age	20.1 years
Youth (15-24)	15.3 per cent
Male labour force participation rate (1999)	55.1
Female labour force participation rate (1999)	44.9
Religions	Presbyterian, Roman Catholic, Anglican, Seventh-Day Adventist
Languages	Bislama, English, French, indigenous languages
Official currency	Vatu

¹ Source: SPC Statistics and Demography Programme (and its Pacific Regional Information System - PRISM www.spc.int/prism)

Introduction to the Country Profile

SPC country profiles document the nature and extent of the organisation's services to individual members.

This country profile presents basic country facts and a synopsis of Vanuatu's development background and a narrative summary of the Secretariat's assistance during 2008. Annexes include specific SPC country activities and human resource development activities.

Vanuatu Development Background

Vanuatu is a democratic republic with a 52-member Parliament elected every 4 years. Independence was attained in 1980 after some 74 years of joint rule by Britain and France. The islands were then known as the New Hebrides. The executive consists of a Council of Ministers headed by the Prime Minister who is elected by Parliament from among its members. The President is elected by Parliament and the National Council of Chiefs for a period of five years.



The country has a dualistic economy, with a large smallholder subsistence agricultural sector and a small monetised sector. The monetised sector consist of plantations, ranches and associated trading, manufacturing, banking and shipping services, as well as the country's tourist industry. Copra is the most important cash economic activity in the rural sector. At present, about 69,000 hectares of land are under coconut plantation, producing 50,000 tons of copra a year. Nearly all exports are primary goods (coconut products, beef, cocoa, coffee and timber).

The introduction of commercial laws in the early 1970s added a new dimension to the economy; it led to the development of an off-shore finance and banking centre, and a rapid expansion in the number of support organisations and professionals in Port Vila. The Finance Centre contributes considerably to Government revenue through the payment of business licence fees, insurance, banking and trust company licences, annual registration fees for all companies, stamp duties and other smaller fees. It is also a significant earner of foreign exchange through capital transfers, professional fees, interest etc.

The Government earns substantial revenue from turnover taxes on hotels, licensed premises, and casinos. Vanuatu has also enacted legislation to allow all forms of betting

(under strict controls). In recent years, Vanuatu has realised impressive economic growth, which is widely attributed to stable governments and substantial reforms and restructuring that have occurred since 1997.

Despite significant investments in the education and health sectors, progress in these key areas is generally considered slow. Transport services continue to be constrained by lack of adequate infrastructure and maintenance problems.

The country is experiencing high general population growth rates and even higher urban growth in Port Vila and Luganville. Income per person in real terms has declined by 18% between 1994 and 2003 before rising slightly since 2004. Unemployment appears to be increasing, especially amongst young people. This is leading to increasing social concerns as well as increasing levels of hardship and poverty. The recent strong economic growth, however, does seem to make a positive impact.

Vanuatu is still largely an agriculture-based economy with copra, cocoa, kava and cattle continuing to dominate the sector. Since 2003, the agriculture sector has grown at an annual rate of 3.3 percent compared to 2.8 percent growth for the economy and an average population growth rate of 2.6 percent per annum.

Fisheries are said to be not properly exploited. Reef fisheries are over-fished in some areas, notably in around the island of Efate, but are generally under-exploited near the outer islands. The deep water snapper resource has the potential for some further exploitation but there appear to be definite limits. Improvements in catching, handling and marketing systems and commercialisation of the domestic fishing industry are needed; however, overall Vanuatu's fisheries are probably not sufficient to supply a larger proportion of the protein needs of a rapidly growing population.

Vanuatu possesses soils and climate that are conducive to timber production. The challenges continue to include ensuring replanting of trees at a rate at least equal to the volume being harvested; to foster utilisation of additional species; and to develop additional value-added processing. Vanuatu faces a natural constraint to large increases in production of forestry products, as even though some 36% of the country is forested, a large part of this is unsuitable for commercial logging due to the poor quality of timber and inaccessibility to sites.

Vanuatu has one of the most conducive environments in the world for raising beef cattle. Domestically the production of beef, pork, poultry and sheep/goat for local consumption forms an essential part of the rural economy. Improvement in the capacity of farmers and their communities to produce, process and sell these animals and products will have a positive effect on rural farmers' incomes, and offer opportunities to promote rural enterprises such as butcheries. Improvements in domestic livestock production and processing would also improve the level of food security and safety in rural communities, while promoting the substitution of local meat for imported products.

Life expectancy is currently 69 years for females and 66 for males (1999 Census). There has been progressive improvement in key health indicators over the years. Under 5 mortality has reduced from 58 per 1,000 live births in 1989 to 33 in 1999 and similarly infant mortality has declined from 45 per 1,000 live births in 1989 to 25 in 2007 (estimates).

In the medium term, the education sector is concentrating on the Millennium Development Goals of achieving universal primary education and gender equality in education. Access to secondary education remains very low, compared to many other Pacific Island countries. Vanuatu's challenges in the education sector are unique: the country has more than 105 languages and three official languages (Bislama, English and French); schools are scattered over more than 60 islands and often in remote locations; a high rate of population growth, and rapid urban drift.

Vanuatu is the only Pacific recipient of the US Millennium Challenge Account. The five-year Compact program addresses the country's poor transportation infrastructure. Consisting of eleven

infrastructure projects—including roads, wharfs, an airstrip and warehouses—the program aims to benefit poor, rural agricultural producers and providers of tourist related goods and services by reducing transportation costs and improving the reliability of access to transportation services. This MCC program is expected to have a transformative impact on Vanuatu's economic development by increasing average income per capita by 15% within 5 years and directly impacting the lives of more than 65,000 poor, rural inhabitants—almost a third of the entire population.

Summary of SPC Assistance to Vanuatu 2008

This section provides an overview of SPC assistance to Vanuatu by division and programme for 2008. A more detailed listing of activities can be found in Annex 1.

Land Resources

The Land Resources Division, through DSAP, carried out on-farm trials on Efate and Santo using leguminous crops *Gliricidia* and *Mucuna* as short fallow cover crops demonstrated good soil fertility regeneration. *Mucuna* has been trialled in two research stations with good results in soil fertility improvement and crop productivity increases. Support to a rural-based community-owned joinery shop which allows for an income generating activity for the community. Technical assistance has also been provided to enable market access for Tahitian lime and other citrus produce to New Zealand, papaya to Australia, and Vanuatu beef to Nauru.

Marine Resources

During 2008, SPC's Marine Resources Division has helped Vanuatu fisheries set up Live Reef Fisheries database; reviewed aquaculture prospects for Vanuatu and published Vanuatu Aquaculture Action Plan; started ACIAR mini-project in Vanuatu on culturing clownfish for the marine aquarium trade and presented Vanuatu National Tuna Fisheries Assessment report and provided scientific support to Vanuatu/FFA Ecosystem Approach to Fisheries workshop. The division has also assisted with the conduct of the reef invertebrate population survey at Epi, as well as the reef fish population survey at Epi. The Regional Maritime programme ran follow-up ISPS and STCW audits, security guard training course, port management and administration assistance and basic ISPS Code course.

Social Resources

Through its Public Health programme, SPC assisted Vanuatu in the development of GFATM R7 submission for HIV and establishment of seafarers' drop-in-centre. The conduct of Infection Control (PRIPPP) training and support for implementation of Infection control measures to minimize risks to health works, animal laboratory workers and animal health/quarantine workers was carried out. Procurement of antiviral and supplies for Rapid Containment and orientation to planning process and planned testing exercises processes was also provided by SPC. Through the Global Grant, SPC assisted Vanuatu with the procurement of Health Products and Health Equipment and assisted in grant preparation and successfully concluded grant negotiations for two round seven HIV and TB proposals submitted to the global Fund with phase 1, 2 year combined value of \$16.34 Million. Grants commenced 1st July 2008.

SPC's Human Development Programme supported the book launch & community reporting back on matrilineal land tenure report to Vanuatu Cultural Centre and conducted business enterprise trainings in March and May 2008. SPC's Statistics and Demography Section assisted in the preparation of 2009 Census Plan/Budget and census cartography.

Other Assistance and human resource development highlights

During 2008, one hundred and eleven persons from Vanuatu participated in SPC training activities, organised by SPC's Land Resources, Social Resources (public health, statistics and demography, media centre, community development, RRRT), and Marine Resources (maritime, oceanic and coastal fisheries) Divisions. Annex 2 provides further details.

ANNEX 1: 2008 Notable Activities in Vanuatu by SPC Programmes

Land Resources Division
<ul style="list-style-type: none"> ● DSAP on-farm trials on Efate and Santo using leguminous crops <i>Gliricidia</i> and <i>Mucuna</i> as short fallow cover crops demonstrated good soil fertility regeneration. <i>Mucuna</i> has been trialled in two research stations with good results in soil fertility improvement and crop productivity increases. ● Support setting up of an agroforestry model area, ● Two officers participated in a study tour in Tasmania to look at forestry code implementation. ● Supporting a rural-based community-owned joinery shop ● Two participants attended the Pacific Regional CDM Forestry Awareness Workshop. ● One officer undertook the 3 months attachment training on IRA/MAS with the Impextek centre. ● One officer undertook 1 week training on the systems approach to fresh produce export systems. ● Continued support for little fire ant eradication in Efate and Santo islands. ● Two officers attended the regional training on the use of the PCE tool in Tonga. ● Three officers attended the refresher training for IPP editors and introduction to BIF. ● Continue with the national adaptation of the BIF including undertaking an audit of the IT requirements to run the BIF. ● Continued assistance with the national adaptation of the regionally harmonised biosecurity bill. ● Assistance for market access for Tahitian lime and other citrus spp to New Zealand, papaya to Australia, and Vanuatu beef to Nauru. ● IRA for import of live boar from New Caledonia for breeding.
Marine Resources
<ul style="list-style-type: none"> ● Helped Vanuatu fisheries set up Live Reef Fisheries database ● Reviewed aquaculture prospects for Vanuatu and published Vanuatu Aquaculture Action Plan ● Started ACIAR mini-project in Vanuatu on culturing clownfish for the marine aquarium trade ● Presented Vanuatu National Tuna Fisheries Assessment report and provided scientific support to Vanuatu/FFA Ecosystem Approach to Fisheries workshop ● Conducted reef invertebrate population survey at Epi, Vanuatu ● Conducted reef fish population survey at Epi, Vanuatu ● 3 participants to the Ecosystems Approach (EACFA) and Aquatic Biosecurity meeting in Noumea ● Provided assistance to the JICA aquaculture project on Vanuatu ● RMP ran follow-up ISPS and STCW audits, security guard training course, port management and administration assistance and basic ISPS Code course. ● A total of 16 people participated/trained in various maritime areas: <ul style="list-style-type: none"> ○ PIMLAR Review workshop and PIMLA EC meeting ○ MLAANZ meeting ○ Basic maritime auditors course ○ Search and rescue conference ○ Sub-regional surveyors course ○ 2008 RMP planning meeting ○ PacMA 12 conference ○ Pacific maritime security conference ○ IMO Long Range Identification and Tracking Conference ○ Basic security auditors training course ○ Australian Certificate IV in workplace assessment and training ○ Maritime policy and legislative drafting workshop ○ Third Annual General meeting of PIMLA ● 1 participant in 2008 Tuna Fisheries Stock Assessment Workshops in Noumea ● 1 participant in 2008 fisheries Ecological Risk Assessment workshop ● Two participants in practical training course on finfish underwater visual census methodologies in

Noumea

- 1 participant in short course on fisheries statistics and stock assessment
- 1 participant in subregional practical workshop on implementation and analysis of socioeconomic fisheries surveys
- 2 participants in high level fisheries Policy and Planning Workshop
- 1 participant to the second Tuna Data Workshop
- 2 participants in special Heads of Fisheries Meeting to develop the Regional Coastal Fisheries Management Strategies
- 1 participant to the aquaculture economics workshop in Brisbane
- 1 participant in 2008 (Fisheries) Ecological Risk Assessment workshop

Social Resources Division

Public Health Programme

HIV/STI

- Assist in development of GFATM R7 submission for HIV
- Establishment of seafarers drop-in-centre

Adolescent Health and Development

Information and Education

- Family Life Education
- Life Skills based Peer Education
- Community outreach education

Youth friendly Services

- Youth clinic centres
- Integrated primary Health Care
- School based clinics

Public Health Surveillance and Communicable Disease Control

- Infection Control (PRIPPP) training and support for implementation of Infection control measures to minimize risks to health works, animal laboratory workers and animal health/quarantine workers.
- PRIPPP – Procurement of antiviral and supplies for Rapid Containment
- Orientation to planning process and planned testing exercises processes
- Support of review of legal frameworks and policy implications for compliance (PRIPPP) with International Health Regulations (IHR) and APSED requirements

Global Fund (GFATM)

- Procurement of Health Products and Health Equipment
- Undertook grant preparation and successfully concluded grant negotiations for two round seven HIV and TB proposals submitted to the global Fund with phase 1, 2 year combined value of \$16.34 Million. Grants commenced 1st July 2008
- Designed, submitted and negotiated a six month malaria bridging finance grant of \$0.7 Million for July – December '08 period while awaiting the outcome of the RCC proposal
- Coordinated the development and resubmission of a wave 3 Rolling continuation channel malaria grant with a six year value of \$39.3 Million. Successfully secured approval for first phase funding of \$21.0 Million which is under negotiation
- Technical, logistical and financial support to conduct the repeat second generation behaviour, STI and HIV prevalence surveys

Statistics & Demography Programme

- Preparation of 2009 Census Plan/Budget
- Preparation of census cartography

Human Development Programme

- Support for book launch & community reporting back on matrilineal land tenure report to Vanuatu Cultural Centre
- Business enterprise trainings in March and May 2008

ANNEX 2: 2008 SPC Human Resource Development Activities for Vanuatu

SPC Programme/ Section	Training subject area (or course title)	Month	Year	Duration	Type: Workshop (course) Attachment at SPC or On-the-job (in-country)	Location (city/town, country)	Number of Vanuatu Participants	Male	Female	Number person days *
LRD - Forests and Trees	Regional Awareness Workshop on CDM Forestry	Jan	2008	4 days	Workshop	Nadi, Fiji	2	2	0	8
LRD-Animal Health Production	IATA Training	March	2008	5	Workshop course	Nadi, Fiji	2	2	0	10
LRD - Forests and Trees	Implementation of the Code of Harvesting Practice	April	2008	6 days	Study Tour	Tasmania , Australia	2	2	0	12
LRD-Animal Health Production	Paravet Trainers Training	April	2008	2	Workshop course	Nadi, Fiji	1	1	0	70
LRD- Development of Sustainable Agriculture in the Pacific	DSAP Strategies	April	2008	5 days	Workshop	Nadi, Fiji	1	1	0	5
MRD - Oceanic Fisheries	Stock Assessment	June/ July	2008	5	Workshop	Noumea, New Caledonia	1	1	0	5
MRD - Oceanic Fisheries	Ecological Risk Assessment	June/ July	2008	2	Workshop	Noumea, New Caledonia	1	1	0	2
MRD – Regional Maritime Programme	Australian Certificate IV in Workplace Assessment & Training	July	2008	5	Training	Suva, Fiji	3	3	0	15
MRD – Regional Maritime Programme	Maritime Law Seminar	July	2008	4	Seminar	Suva, Fiji	1	1	0	4
MRD – Regional Maritime Programme	Security Auditor Training	July	2008	5	Training	Suva, Fiji	1	1	0	5
MRD – Regional Maritime Programme	Pacific Maritime Security Conference	May	2008	3	Training	Nadi, Fiji	1	1	0	3
MRD – Regional Maritime Programme	IMO LRIT	June	2008	2	Training	Suva, Fiji	1	1	0	2
MRD - PROCFISH	Sub-Regional Training workshop on socioeconomic fisheries surveys in Pacific Islands : Collecting a minimum dataset	Jan	2008	1 week	Training	Noumea, New Caledonia	1	1	0	5
MRD - PROCFISH	UVC2 - Sub-Regional Training Workshop on Underwater Visual Census (Uvc) Methodologies for the	July	2008	1 week	Training	Noumea, New Caledonia	2	1	1	10

	Assessment of Reef Fish Resources									
MRD – Coastal Fisheries	Training for Heads of Fisheries on Fisheries Policy		2008	tbd	Training	tbd	1	1	0	
MRD – Coastal Fisheries	Training on fisheries statistics and stock assessment – phase 2		2008	tbd	Training	tbd	1	1	0	
SRD Public Health	Trichomonas Microscopy Training	Sept	2008	8	Training	Vanuatu	1	1	0	8
SRD – Public Health	Malaria PSM training	April	2008	1	Training	Honiara, Solomon Is.	1	1	0	1
SRD Pacific Healthy Lifestyles	Workshop on Nutrition, Diet and Lifestyle: Upscaling Action in the Pacific	Feb	2008	5	Workshop	Nadi, Fiji	3	1	2	15
SRD – Statistics & Demography	UNSD-SPC Census 2010 Technical Workshop	Feb	2008	5	Workshop	Noumea, New Caledonia	1	1	0	5
SRD – Statistics & Demography	Data analysis & Report Writing	July	2008	20	Workshop	Vanuatu	16	9	7	300
SRD – Regional Media Centre	Radio Broadcast production	June	2008	2 days	Workshop	Suva, Fiji	8	2	6	16
SRD – Regional Media Centre	Graphics and Design	March /April	2008	1 week	Workshop	Suva, Fiji	3	0	3	15
SRD – Regional Media Centre	Radio Broadcasting	March -Sept	2008	1 classXwkX 7months	Workshop	Suva, Fiji	3	0	3	
SRD – Regional Media Centre	Multi-media: GD/Radio Broadcast/DV Production	April	2008	1 week	Workshop	Suva, Fiji	1	0	1	5
SRD – Regional Media Centre	Media and Communications	April	2008	1 day	Workshop	Suva, Fiji	1	1	0	1
SRD – Regional Media Centre	Graphics and Design	Aug	2008	1 day	Workshop	Suva Fiji	2	2	0	1
SRD – Human Development	CEFE - Module 1-4	March	2008	2 weeks	Cert in CEFE	Port Villa, Vanuatu	25	18	7	250
SRD – Human Development	Community Development	March - Oct	2008	7 Months	Training - Cert in CD	Suva, Fiji	3	0	3	420
SRD – Human Development	CEFE - Module 1-4	May	2008	2 weeks	Cert in CEFE	Port Villa, Vanuatu	19	9	10	190
SRD – Regional Rights Resource Team	Monitoring Civic Education & HIV and Human Rights	Aug	2008	5	Workshop	Suva, Fiji	2	1	1	10
LRD: MRD: SRD:	Land Resources Division Marine Resources Division Social Resources Division					Total	111	67	44	1393

*Person days: training delivered to date