

COSTS OF DOING BUSINESS IN



VANUATU

Starting a Business

- Name of Company
- VIPA Certificate
- Registrar of Companies
- Business License
- Work permit
- Residence Permit
- Custom Fees

Utilities Costs

- Water Rates
- Electricity Rates
- Fuel Costs

Infrastructure

- Telecommunication Costs
- Transportation Costs

Other Costs

- Municipal Fees
- Environmental Fees
- Provincial Fees
- General Information

This brochure aims to enable investors to make preliminary assessment of the main costs involved in doing Business in the Republic of Vanuatu.

Vanuatu Financial Services Commission

Register a company trading name @ VT10,000 - prior to getting a VIPA Certificate. VFSC Registration Fees range according to the nominal share capital.

- | | |
|--|-----------|
| • Less than VT 35 million | VT30,000 |
| • More than VT35 million, not exceeding VT50 million | VT50,000 |
| • More than VT50 million, not exceeding VT100 million | VT100,000 |
| • More than VT100 million, not exceeding VT200 million | VT150,000 |
| • More than VT200 million, not exceeding VT300 million | VT200,000 |
| • More than VT300 million | VT250,000 |
- Stamp Duty (Transfer of Lease) 2%

Contact Phone (678) 22247 Fax (678) 22242

Email: nfo@vfsc.com.vu Website: www.vfsc.vu

* * Indicative rate - VT100 equals to Aus\$0.87

Vanuatu Investment Promotion Authority

VIPA Registration Fees range according to total investment cost.

- | | |
|---------------------------|----------|
| • Less than VT 10 Million | VT15,000 |
| • Less than VT 50 Million | VT25,000 |
| • More than VT 50 Million | VT50,000 |
| • Annual VIPA renewal fee | VT10,000 |
| • Variation fee | VT10,000 |

Contact Phone (678) 24096/ 24441 Fax (678) 25216

E-mail: investment@vanuatu.com.vu

Website: www.Investinvanuatu.com

Immigration Department

Immigration Registration Fees

- | | |
|-----------------------------|-----------|
| • Residence Permit fee | VT40,000 |
| • Annual Renewal fee | VT40,000 |
| • Renewal fee every 5 years | VT180,000 |

Contact Phone (678) 22354 Fax (678) 25492

Email: immigration@vanuatu.gov.vu

All investors are exempted from Work Permits, however those intending to bring in foreign (technical) employees must apply for work permits.

Labor Department

Labor Department Registration Fees

- | | |
|-----------------------------|-----------|
| • Application fee | VT10,000 |
| • Work Permit fee | VT200,000 |
| • Temporary Work Permit fee | VT40,000 |
| • Work Permit Exemption fee | VT10,000 |
| • Annual Renewal fee | VT200,000 |

Contact Phone (678) 22610 / 25852 Fax (678) 26544

Email: lkaluat@vanuatu.gov.vu / jotasso@vanuatu.gov.vu

Employers are required, under **Vanuatu National Provident Fund Act**, to register their employees and pay 4% into their superannuation scheme, whilst employees contribute 4%.

Contact Phone (678) 23808 Fax (678) 24673

E-mail: generalmanager@vnpf.com.vu

Customs Department

Vanuatu enjoys a very competitive tax regime. There are no corporate income taxes nor personal income taxes. However a **Value Added Tax (VAT)** of 12.5% is applicable. All Businesses are required to obtain a Business License. Business License fees vary.

- Business License fees range from VT 5,000 to VT1,000,000
- Non-Citizen fee VT 100,000
- Import Duty Rates, please contact

Phone 678 24544

Fax (678) 22597 / 24257

Email: maru@vanuatu.gov.vu

Utilities

UNELCO Ltd

UNELCO Ltd is sole provider for electricity and water in Vanuatu.

- **Water** rates fluctuates every 6 months.
- **Electricity** Rates fluctuates every 3 months.

Contact Phone (678) 22211/22724 Fax (678) 25011

E-mail: Unelco@unelco.com.vu

Fuel

- Average cost per liter (Pacific Petroleum Company)

Diesel VT154.8

Petrol VT154.2

Contact Phone (678) 23523 Fax (678) 22410

Infrastructure

Telecom Vanuatu Ltd

TVL is sole telecommunications provider in Vanuatu.

- Line installation fee VT9,000
- Line Rental VT1,575/month
- Telephone handset VT2,950
- International Calls

| Zone | Peak rate/min | Off-peak rate/min |
|----------|---------------|-------------------|
| Neighbor | VT72 | VT50 |
| Rest | VT96 | VT75 |

- Internet Services

Technical Installation VT 5,000

Lagoon packages

- 5hrs/month VT 1,300, extra hour charge VT750
- 10 hrs/month VT 2,300, extra hour charge VT750
- 30 hrs / month VT 6,300, extra hour charge VT250

Contact Phone (678) 22015 Fax (678) 22015

Email: telecom@tvlnet.vu

Website: www.tvl.vu

Department of Land

- Negotiation Certificate VT2,531
- Application plus other charges VT70,875
- Application for Transfer of Lease VT11,250
- Registration of Lease 5%
- Transfer of Lease 5%
- Stamp Duty 2% (VFSC)
- Surveys are done by private companies, thus costs vary.

Contact Department of Lands

Phone (678) 22892 Fax (678) 27708 for registered surveyors.

Sea Freight

Vanuatu has two main international ports, **Ifira Wharf & Stevedoring Co. Ltd** in Port Vila, Efare and **NISCOL** in Luganville, Santo.

Freight Rates vary depending on weight/destination

Rates Per 20ft container (Port Vila)

- Handling charges VT44,674
- Transport VT70,000

Contact Phone (678) 22929 Fax (678) 25934

Northern Island Stevedoring Ltd in Luganville, Santo
Freight Rates vary upon weight/zone

Rates per 20ft container

- Handling Charge VT38,160
- Transport rate per zone VT21,000

Contact Phone (678) 36078 Fax (678) 36085

Email: niscol@vanuatu.com.vu

Air Freight

Air Vanuatu handles all air freights. Rates vary upon zone and weight.

| | Imports (kg) | Exports (kg) |
|-------------------------|--------------|--------------|
| • Min. Handling Charges | VT10 | VT3,500 |
| • Air way Bill | VT1,000 | VT5,500 |
| • Declaration | VT1,500 | |

Contact Phone (678) 23858 Fax (678) 22830

Import charges - Phone /Fax (678) 25420

Website: www.airvanuatu.com

Port Vila Municipal

- Building Permit Application Fee VT5625 (VAT included)
- Inspection Fee VT16,875
- Renewal fee VT5,625

Building Permits varies for categories

- Commercial VT500 /m2
- Residential VT470 /m2
- Others VT300 /m2

- Property Taxes

Contact Phone (678) 22113 Fax (678) 25002

E-mail: lamairie@pvmc.com

Environment Unit

- Environment Impact Assessment (EIA) costs for any new major development, please liaise with the office of the Environment Unit.
- Scientific Research VT 50,000/research

Contact Phone (678) 25302 Fax (678) 23565

Email: environ@vanuatu.gov.vu

Provincial Authorities

The 6 Provincial Authorities also impose certain fees on investments established in their jurisdictions. Fees vary.

| | |
|------------------|-----------------------------------|
| Torba Province | Phone/Fax (678) 38550 |
| Sanma Province | Phone (678) 36712 Fax (678) 36396 |
| Malampa Province | Phone/Fax (678) 48491 |
| Penama Province | Phone (678) 38394 / 38348 / 38415 |
| Shefa Province | Phone (678) 22752 Fax 678 22785 |
| Tafea Province | Phone (678) 68664 Fax (678) 68638 |

Contact Fisheries Department Phone (678) 23119 Fax (678) 23641

Agriculture Department Phone (678) 22525 Fax (678) 25265

Vanuatu Tourism Office Phone (678) 22515 Fax (678) 23889

Website: vanuatuparadise.com

Banking

Requirements to open an account with locally based banks:

ANZ Bank (Vanuatu) Ltd provides online service

- Minimum amount US\$4,000 / Aus\$5,000 deposit
- Passport
- 2 bank cards

Contact Phone (678) 26355 Fax (678) 22814

Email: anz@vanuatu.com Website: www.anzbank/vanuatu.com

Westpac Banking Corporation

Investor must go through local chartered accounting firms

Contact Phone (678) 22084 Fax (678) 24773

Email: westpacvanuatu@westpac.com.au

National Bank of Vanuatu

Investor does business with them face to face.

- Minimum deposit VT100,000
- Fee VT5,000

Contact Phone (678) 22201 Fax (678) 22761

Email: nationalbank@vanuatu.com.vu

For further information please contact

Vanuatu Investment Promotion

PMB 9011, Port Vila, VANUATU

Phone (678) 24096/ 24441

Fax (678) 25216

Email: investment@vanuatu.com.vuom.vu

Website: www.InvestInVanuatu.com

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