



PACER PLUS PARTIES - 2024

REVENUE MOBOLIZATION DIALOGUE
27th – 29th February 2024, Nadi
Country Presentation: Republic of Vanuatu

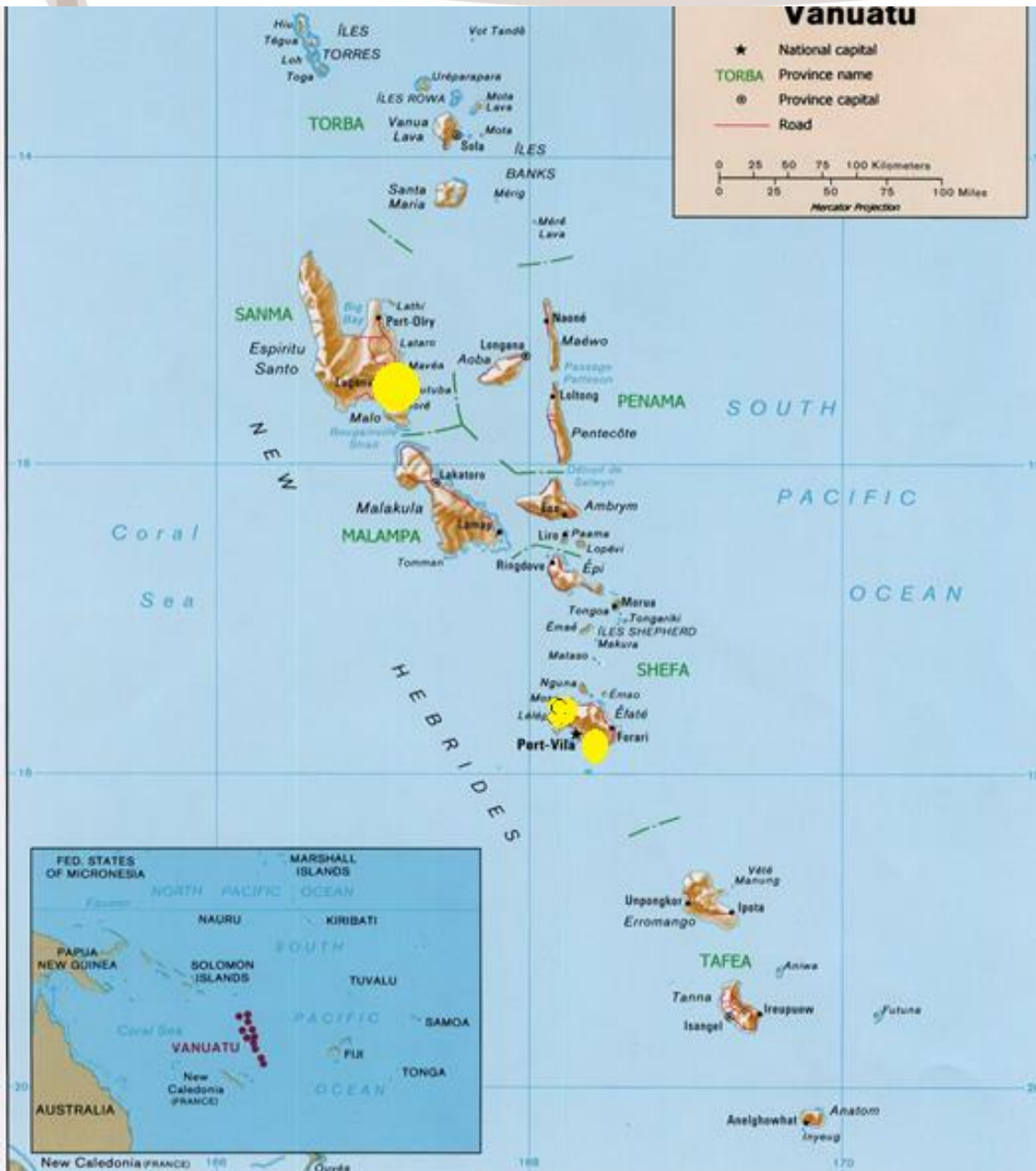


OVERVIEW

- Back Ground
- Single Window Project in Vanuatu
- Leveraging Single window to increase Revenue
- Key Achievements
- Trade Statistic
- Revenue status
- Lessons Learnt and Recommendation



BACKGROUND



- Located in the South Pacific Ocean
- Land area of 12,189 sq.km (4,706 sq mi),
- 83 Islands (13 larger islands and 70 smaller islands)
- Official language: French, English, Bislama – 134 native languages
- Population **334,506**



Vanuatu Ports

3 International Ports (ISPS Compliance) – Cargo, Cruise ships, Petroleum, Gas Tanker, Army ships

1. Port Vila Cruise International Port – Port Vila
2. Lapetasi International Port – Port Vila
3. Luganville International Port – Santo

The approved Port Of Entries to facilitate yachts and other ships entry:

1. Port Vila- Efate
2. Lenakel on Tanna
3. Luganville on Santo
4. Sola on Vanua-Lava



Vanuatu Customs & Inland Revenue Mandate

International Framework

- Member Of WCO
- Ratify Pacer Plus Agreement 11th October 2020.
- Ratify Trade Facilitation Agreement in 2020

National Frameworks

- Customs ACT No.7 of 2013
- Excise ACT No.24 of 2002
- TAA (Tax Administration Act No.37 of 2018.



Why Single window

- Trade Procedures in Vanuatu have been inefficient, lengthy and slow resulting in high cost of trade transaction/doing business. The main reason are as follows;
 - Many stakeholders involved in cargo clearance process
 - Stakeholders exchange many documents among themselves
 - Stakeholders ends up sending the same document to each other many times.
 - Exchanges are in hard copy form in most cases, processing of information is carried out manually.
 - Perennial congestion at the port facilities and ultimately. Loss competitiveness of the country.



Single Window Project in Vanuatu



Single Window

- **ASYCUDA World** was implemented in 1999 to facilitate trade, collect revenue, and protect the borders of Vanuatu
- In the past (1999-2017) clearance of goods takes a lot of time and too much paper between trader and regulatory agency. Regulatory requirements have not link with clearance of customs and it delays import and export of goods and affect border protection
- With the Introduction of Single Window in 2019, clearance of good become more efficient through online processing. It Facilitated work for traders, regulatory agencies and customs clearance has become more easier with less paper.
- Vanuatu's Electronic Single Window system enables businesses to submit and pay for import and export certificates, licenses and permits online.



SINGLE Window- Modules

Government and Regulatory Agency	
Biosecurity	Ensure plant and animal product import are safe and export meet standard and a our requirements or our market
Environment unit	Control import of GAS of cooling system such gas, Air Confridge , freezer and to protect the export or import on endangered Plant and animal in Vanuatu.
Energy Unit	To control energy appliance that use a lot of power, of good quality and environment friendly.
TRBR	Allow import of telecommunication device such as Mobile Phone, radio that meet standards of good quality
Vanuatu POST	Link the system to facilitate E- commerce in Vanuatu
FTA	Certificate of Origin ROO to export their product to other countries.
NDMO	Approve import of imports of Humanatarian supplies and distribution during disaster.
Health	Control import of medicine /pharmaceutical product are safe and effective for people to use.
Fisheries	Regulate and protect and sustain the export of marine and

Other VeSW Module

- Concession Module currently used by Industry, Tourism and customs.



Leveraging Single Window to Increase Revenue

- Use or repaid account in Customs to facilitate payment
- Use of prepaid and credit accounts at the VeSW agencies to facilitate payments for permits and certificate.
- Use of Bred Bank Online Payment Facility to facilitate payments in real-time
- Customs and Finance accepting bank transfers made to government accounts for payments of customs dues.
- Currently working with ANZ for VISA/Credit card e-Gate payment facility to facilitate payments in real-time.



Continue;

- Have done work with the National Payment System (NPS) to facilitate payments via different banks, hopefully this will go alive in 2024.
- Interface with Finance is listed in Phase III of the VeSW Project to facilitate deposits of customs daily collections.
- Note: the above payment initiatives have contributed to facilitating trade.



KEY ACHIEVEMENTS - BENEFITS OF CUSTOMS SINGLE WINDOW ¹³

Government

Effective & Efficient
Deployment of
Resources

Correct
Revenue
Yield

Improved
Trader
Compliance

Enhanced
Security

Increased
Integrity &
Transparency

**Single
Window**

Traders

Cutting Costs
through
Reducing Delays

Faster
Clearance &
Release

Predictable
Application and
Explanation of Rules

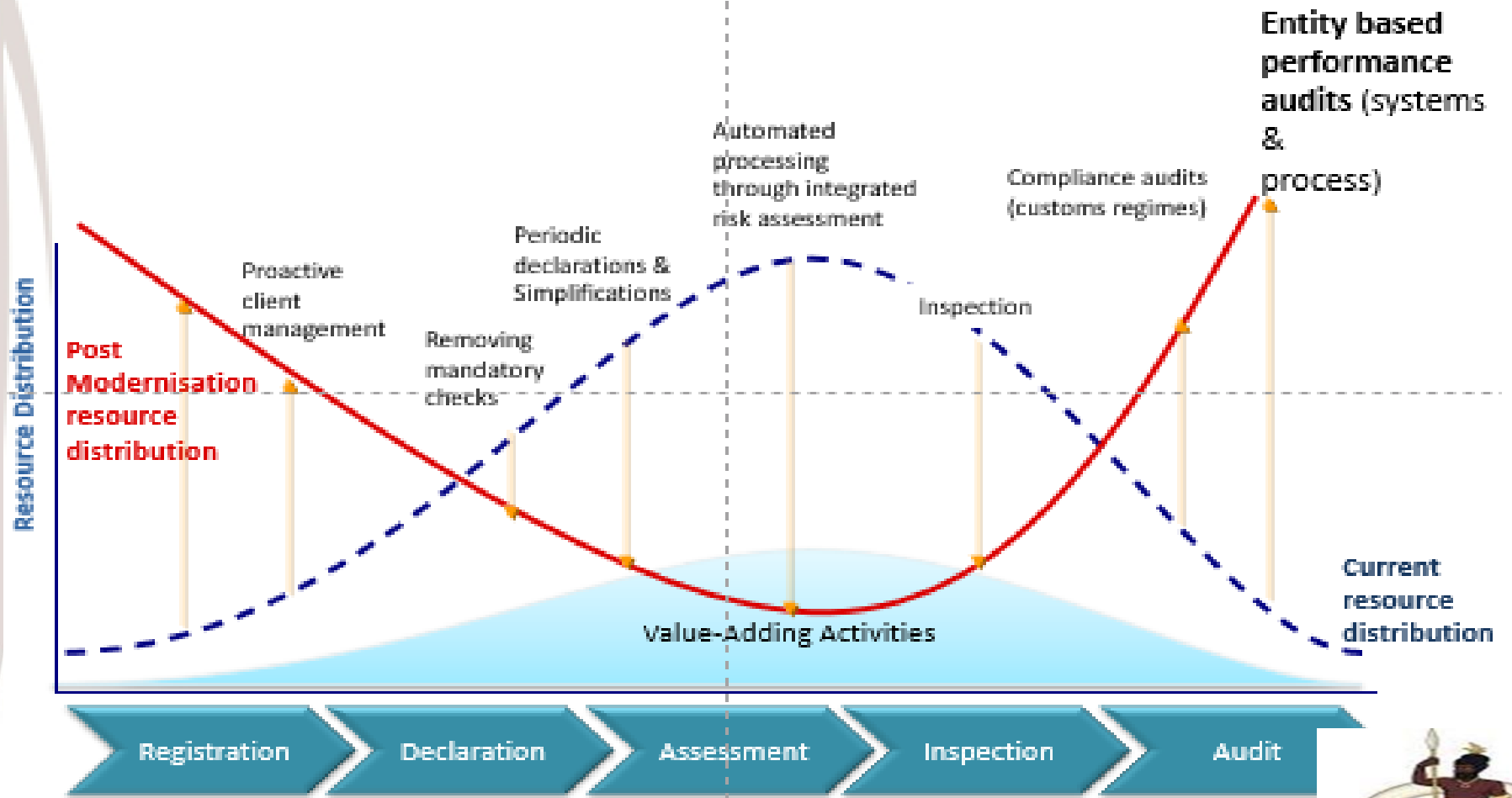
Effective & Efficient
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Customs Procedures and processes

Modernised risk-based approach for Customs



Integration of Selectivity

- We also acknowledged that the Selectivity module was implemented, and this is when automating the Biosecurity clearance process at the Border to manage the issuance of SPS permits and certificates.
- This has fulfilled the International standards and recommendation of countries having a single window environment where all the key players such as customs brokers, traders and agents are required to submit cargo and clearance documents to border agencies at one single place.
- These reform initiatives are efforts to continue to facilitate trade in Vanuatu and to ensure border control are well managed and coordinated by both customs & Other Agencies.



TRADE STATISTIC

	VOLUME OF TRADE	
Year	Import Declaration	TOTAL CIF
2019	26,925	28,015,094,315
2020	19,095	26,246,677,104
2021	21,071	30,905,294,609
2022	7,532	12,779,645.033*
2023	26,449	68,547,713,607



	VOLUME OF TRADE	
Year	Export Declaration	TOTAL CIF
2019	2,786	9,726,797,865
2020	1,634	6,219,166,281
2021	1,512	6,752,676,572
2022	582	3,103,748,230*
2023	2,677	14,418,480,024



REVENUE STATUS

Year	Revenue Target (VT)	Actual Revenue (VT)	
2017	12.8B	15,015,568,464	
2018	16.3B	16,919,327,503	
2019	17B	17,099,532,384	
2020	17.3B	14,584,187,024	
2021	17.3B	16,557,203,962	
	19.1 B	18,100,892,316	
2023	19.3 B	22.1 B	



Lessons Learnt and RECOMMENDATION

Finally, the Journey during the implementation of Technology- (SINGLE Window)has given certain lessons ;

1. Brokers and Traders not willing to use such payment initiative . They prepare to stick to the old fashion mode of payments with cash and cheques.
2. Other Banks, other than Bred Bank, don't have the online payment facility to link with ASYCUDA.
3. Checking bank transfers has delays because accounts have verify payments before the invoices can be receipted in ASYUDA.
4. Struggling to meet the merchant policy requirements to enable the implementation of the ANZ e-Gate payment facility due to lack legal expertise to provide such policies to cover Customs Payments.
5. Despite the available technology in ASYCUDA, developing online payment interface with Banks is challenging to ensure that requirements and technologies are compatible. This process that can take up to a year to implement.
6. NPS is till pending after working with the RBV team since 2019 to implement the facility.



Recommendation

1. Continuous awareness to the trading community to use the available payment facilities is necessary.
2. Put in policy to discourage the use of cash and cheques, due to risks and bottleneck these mode of payments create to trade facilitation.
3. Commitments and dedication are required from both the system team and the banks to ensure the successful implementation of online payment facilities.

Finally, Vanuatu Customs Administration recognized early the importance of automation in revenue collection administration reform. Implementation of the Single Window appears to have been more successful and lasting than other reforms.



The End

