

Trade and Competitiveness Monitoring Note

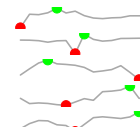


Vanuatu

GDP (US\$ billions) (2016)	Population (millions) (2016)	Income per capita (current US\$) (2016)	Poverty rate (2010)	Ease of Doing Business Rank (2016)
0.96	0.27	3,552.84	15.36	94.00

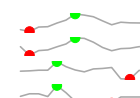
Macro Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
GDP growth (annual %)	2.84	1.77	1.97	3.19	3.20	3.21
Current account balance	-5.36	-6.43	-3.82	-3.70	-3.49	-3.80
Fiscal balance (% of GDP)	-1.39	-1.63	-0.19	-2.65	-5.26	-5.02
Remittances, received (% of GDP) [1]	1.54	2.82	2.96	3.45	—	—
Real Effective Exchange Rate (2010=100)	93.49	100.06	98.94	100.93	107.30	107.16



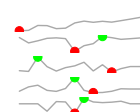
Investment indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
Gross domestic investment (% GDP)	25.8	25.1	28.8	27.9	27.7	27.5
Gross domestic investment, of w: Private investment (% GDP) [1]	29.7	23.0	25.9	26.4	—	—
Inward FDI (% of GDP) [2]	8.3	9.9	-2.4	-2.7	—	—
Inward FDI, % of private investment [2]	36.1	17.9	NA	—	—	—



Trade Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
Total Trade in Goods and Services (% of GDP, real terms)	93.44	104.95	108.46	112.12	115.89	119.77
Trade balance (% GDP, real terms)	-9.28	-6.83	-8.24	-7.70	-7.12	-6.48
Exports, Goods and Services, annual percent change (real terms)	6.48	-1.24	4.16	7.50	7.50	7.50
Imports, Goods and Services, annual percent change (real terms)	6.18	0.83	6.46	5.94	5.94	5.94
Total reserves in months of imports [1]	4.20	4.55	4.70	—	—	—



Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015

Data not available

Gross Value Added by Economic Activity 2013 (% GDP)



Source: Development Prospects Group (DECPG)

Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, NA

Data not available

Doing Business 2015 Ranks (among all countries)

	DB 2015 Rank	DB 2016 Rank	Change in Rank
Dealing with Construction Permits	144	143	1
Ease of Doing Business Rank	96	94	2
Enforcing Contracts	138	139	-1
Getting Credit	36	28	8
Getting Electricity	77	82	-5
Paying Taxes	49	54	-5
Protecting Minority Investors	133	134	-1
Registering Property	84	81	3
Resolving Insolvency	111	110	1
Starting a Business	138	147	-9
Trading Across Borders	142	134	8

Imports Categories by % of Total Value, NA

Data not available

Source: World Integrated Trade Solution (WITS)

Source: Doing Business Report 2015

WEF Competitiveness Indicators (Scale 1-5, 5=best)

Data not available

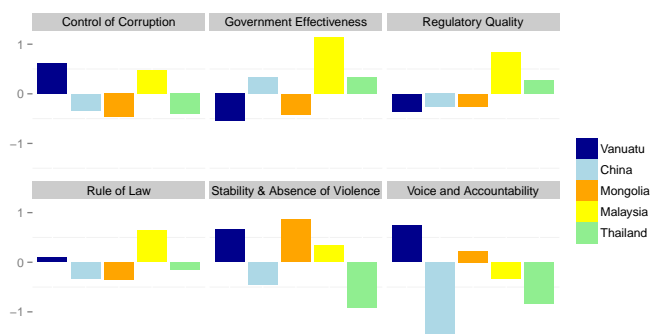
Source: WEF Global Competitiveness Report 2015

Logistics Performance Index (Scale 1-5, 5=best)

Data not available

Source: Logistics Performance Index (World Bank)

World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

	2012
Applied Tariff (Incl. Prefers. and Trade-Weighted)	12
Dispersion (Standard Deviation)	8.9
Import duties collected [1]	—
MFN Tariff (Agriculture)	17.5
MFN Tariff (Non-Agriculture)	7.6
MFN Tariff (Simple Average)	9.1
Services sectors with GATS commitments [1]	70

Sources: WITS, [1] WTO Trade Profiles

Private Sector's Views

Enterprise Survey 2013

	Vanuatu	East Asia and Pacific	All Countries
Number of electrical outages in a typical month	1.60	3.50	6.30
Percent of firms with a bank loan/line of credit	45.80	35.00	34.30
Proportion of investment financed by banks (%)	26.30	12.80	14.30
Proportion of investment financed internally (%)	57.50	74.70	71.80
Senior management time spent dealing with the requirements of government regulation (%)	7.50	6.70	9.90

Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)

Data not available

Source: WEF Global Competitiveness Report 2015