



Government of the Republic of Vanuatu  
**Priorities & Action Agenda**



**2006 - 2015**

A Just, Educated, Healthy & Wealthy Vanuatu

**Government of the Republic of Vanuatu**  
**Priorities and Action Agenda 2006 – 2015**

**2012 Update**

**Committing to Reform to achieve  
a “Just, Educated, Healthy and Wealthy  
Vanuatu”**

**FEBRUARY 2013**

## Foreword

This update of the Priorities and Action Agenda 2006 – 2015 (PAA 2006) is based on a thorough review of progress in implementing the PAA policies since 2006. The review took place during 2010 and 2012 and was conducted by Government officials in consultation with stakeholders and with assistance from the United Nations.

Progress since 2006 has been solid in many areas, but in some areas we are falling behind and have lost the momentum for reform. The review found that service delivery had not improved in some areas and that it has only been slowly improving in many areas. More effort will be needed to secure political stability and to improve public sector performance. As also identified in the recently concluded Pacific Forum Cairns Compact Peer Review of Vanuatu's planning, budgeting and aid management processes, there are many improvements that can be made to better focus our efforts on key priorities.

Since 2006 when implementation of the PAA commenced, there have been new developments and challenges. Our environment is getting more vulnerable as the impacts of climate change increase. Our population is steadily rising and nearly 60 percent are under 26 and many are currently unemployed in our growing urban centres. Gender equality has had minimum progressed. We also need to focus more attention on the issues of Governance which when resolved will pave way for the delivery of services in the other sectors. As such the National Vision has been revised to include 'Just' so that it will read "A Just, Educated, Healthy and Wealthy Vanuatu.

Many of the new challenges were identified in the 'Planning Long Acting Short' (PLAS) document which outlined Government's key policy priorities for the 2009 to 2012 period.

Government is committed to achieving the amended national vision of 'a just, educated, healthy and wealthy Vanuatu' and for this, we need to sustain and broaden economic growth. We also need to closely monitor policy implementation to make sure we are on track. The main section of this PAA review is a PAA Action Plan for 2013 to 2015 which states the policy objectives and strategies for each policy area. This Action Plan will be used to monitor progress in implementing the PAA Strategies for the next three years.



**Hon. Moana Carcasses KALOSIL (MP)**  
**Prime Minister**



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## Abbreviations

AIDS	Acquired Immune Deficiency Syndrome
ADB	Asian Development Bank
ADR	Annual Development Report
AG	Attorney General
AUSAID	Australian Agency for International Development
AVL	Airports Vanuatu Limited
CAAV	Civil Aviation Authority of Vanuatu
COM	Council of Ministers
CRP	Comprehensive Reform Program
DEPC	Department Of Environmental Protection & Conservation
DRR & DM	Disaster Risk Reduction and Disaster Management
DSPPAC	Department of Strategic Policy, Planning and Aid Coordination
DTIS	Diagnostic Trade Integration Study
DWA	Department of Women's Affairs
ECA	Early Childhood Education
EPCA	Environmental Protection and Conservation Act
EU	European Union
GDP	Gross Domestic Product
HIV	Human Immunodeficiency Virus
HIS	Health Information System
HRD	Human Resource Development
HSS	Health Sector Strategy
ICT	Information and Communication Technology
IMF	International Monetary Fund
LARF	Land Acquisition & Resettlement Framework
LARP	Land Acquisition & Resettlement Plan
MAQFF	Ministry of Agriculture, Quarantine, Forestry and Fisheries
MDG	Millennium Development Goals
M&E	Monitoring and Evaluation
MFEM	Ministry of Finance and Economic Management
MIPU	Ministry of Infrastructure and Public Utilities
MJSW	Ministry of Justice and Social welfare
MLNR	Ministry of Land and Natural Resources
MNVBD	Ministry of Ni-Vanuatu Business Development
MOE	Ministry of Education
MOH	Ministry of Health
MOIA	Ministry of Internal Affairs
MOU	Memorandum Of Understanding
MTEF	Medium Term Expenditure Framework
MTIT	Ministry of Trade Industry and Tourism
NACCC	National Advisory Committee on Climate Change

NAPA	National Adaption Plan of Action
NBV	National Bank of Vanuatu
NCDS	Non-Communicable Diseases
NDMO	National Disaster Management Office
NGO	Non-Government Organizations
NSDS	National Skills Development Strategy
NZAID	New Zealand Agency for International Development
OAG	Office of the Auditor General
PAA	Priorities Action Agenda
PFEM	Public Finance and Economic Management
PHC	Primary Health Care
PLAS	Planning Long Action Short
PMO	Prime Minister Office
PSC	Public Service Commission
PWD	Public Works Department
RBV	Reserve Bank of Vanuatu
SLO	State Law Office
SOE	State Own Enterprise
SPREP	South Pacific Regional Environment Program
STI	Sexually Transmitted Infections
TRR	Telecommunication and Radio-communication Regulator
TVET	Vanuatu Technical Vocational Education and Training
TVL	Telecom Vanuatu Limited
UAP	Universal Access Policy
UPE	Universal Primary Education
URA	Utilities Regulatory Authority
VANWODS	Vanuatu Women in Development Scheme
VANGO	Vanuatu Association of Non Government Organisations
VCCI	Vanuatu Chamber of Commerce and Industries
VCMB	Vanuatu Commodities Marketing Board
VERM	Vanuatu Education Road Map
VESAP	Vanuatu Education Support Program
VESS	Vanuatu Education Sector Strategy
VFSC	Vanuatu Financial Services Commission
VIPA	Vanuatu Investment Promotion Authority
VIMP	Vanuatu Infrastructure Master Plan
VMS	Vanuatu Meteorological Service
VNPF	Vanuatu National Provident Fund
VNSO	Vanuatu National Statistic Office
VNTC	Vanuatu National Training Council
VTO	Vanuatu Tourism Office
VTSSP	Vanuatu Transport Sector Support Program
YES	Youth Empowerment Strategy

UNEPGEF  
WB

United Nations Environment Program Global Environment Facility  
World Bank

FINAL



## 1. Achieving the National Vision

The Priorities and Action Agenda that was published in 2006 introduced a long-term national vision - 'an educated, healthy and wealthy Vanuatu'. The recent review of 2010 to 2012 identified the necessity to address Governance issues as a means to improve effectiveness and efficiency of the Public Sector. The inclusion of 'Just' fits this purpose. As such the National Vision had been revised to include 'Just' so that it will now read "A Just, Educated, Healthy and Wealthy Vanuatu.

This amended vision captures the spirit of the Comprehensive Reform Program that was initiated in 1997 and subsequent national policies and national policy dialogues.

The 2006 PAA anticipated that by 2015 Vanuatu will:

1. Have achieved a significant increase in real per capita incomes, along with steady growth in levels of employment.
2. Be among the leading countries in achieving the Millennium Development Goals in education, health, environmental management, and other key socio-economic indicators.
3. Public sector reforms will have raised standards of governance, levels of productivity in the civil service, and will have resulted in higher standards of services and managerial accountability.
4. Through continuing structural reform, Vanuatu will have established an effective enabling environment to sustain the significant private sector led growth, which it aims to achieve in output and employment.

In 2011, just over half way to 2015, implementing the PAA Vision has been partially achieved.

Vanuatu has performed extremely well in terms of economic growth in recent years and this has translated into significant increases in real per capita incomes. Tourism and construction have driven this growth but it has been concentrated in a few urban centres of the country. However, agriculture, from which most of the rural population derive income, has not performed to its full potential. The share of agriculture, fishing and forestry in national income has declined reflecting the low growth in this sector and the much faster growth in urban centred tourism and construction.

Much effort by Government and development partners has been made in improving the standard of education and health. However, Vanuatu is not yet among the leading countries in the region in achieving the Millennium Development Goals (MDGs) by the target date of 2015. The eight MDGs cover poverty, education, health, gender equality, environmental sustainability and the development of a global partnership for development. In the latest Pacific regional MDG report<sup>1</sup> Vanuatu is achieving 'mixed progress' in reducing poverty and in improving maternal mortality, but is 'on track' for reducing child mortality, combating HIV/AIDS and other diseases, and developing a global partnership for development. However, Vanuatu is 'off track' in promoting gender equality and in ensuring environmental

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<sup>1</sup> 2011 Pacific Regional MDGs Tracking Report (PIFS, 2011)

sustainability.

There are many challenges in achieving all the MDGs by 2015. These include limited financial and human resources, and the high cost of providing services to rural areas. Service delivery remains a key challenge for government at all levels.

The PAA, following the CRP, emphasized the need to undertake structural reforms in the economy in order to provide an enabling environment to sustain private sector led growth. Much legislation was passed to put structural reforms into effect. But there has often been a lack of capacity to implement many of these reforms. However, Vanuatu has been highly successful in reforming the aviation and telecommunication sectors. This has brought about much needed competition, lower prices and more services. Tourism has grown largely because of the reforms in the aviation sector. Despite these successes, there are still many hurdles and uncertainties for both domestic and foreign investors and the necessary infrastructure is not yet in place to reduce costs of bringing goods to domestic markets and for export markets.

### ***“Sustain and Broaden Economic Growth through continued Reform”***

Realising the national vision by 2015 will require concerted and coordinated efforts to push ahead with reforms that will allow Vanuatu to sustain and broaden economic growth in the country.

Achieving this vision requires continued investments in transport and communication infrastructure and services. This will allow the rural majority to access domestic and export markets, as well as quality and affordable health and education and financial services.

Improving service delivery requires policy and political stability and an accountability framework, which raises standards of governance both at the political and public service levels.

Political governance improvements are needed, some of which are already in the PAA, while others are in the PLAS in recognition of the importance of political stability and accountability.

Public service improvement has long been recognised by government as critical to achieving development goals. While some progress has been made, and additional strategies have been identified in the PLAS, there is a need to create a stronger sense of accountability to achieve service delivery targets. This requires a strong focus on improving the overall management of basic services, especially health and education, through the strengthened use of data and information systems, human resource development, performance management, and more effective use of resources.

Improving the efficiency and effectiveness of the public service also requires a more concerted effort to implement decentralisation policies. This includes the strengthening of provincial governments and municipalities and clarifying their roles and responsibilities for service delivery.

### ***“Address Emerging Challenges”***

As much as possible, this review of the PAA has aimed to minimize changes to overall policy

objectives and strategies. With four years remaining to achieve the commitments laid out in 2006, ensuring continuity is essential. Where objectives have been modified it is to reflect new national policies, including those articulated in the PLAS matrix, and to harmonize with priorities agreed to as part of joint partnership arrangements with development partners and sector-wide approaches.

However, the review of progress conducted to update the PAA has highlighted a number of crosscutting issues, which either did not receive adequate attention when the PAA was first drafted or which have since emerged as critical issues needing more attention. Policy objectives and strategies have been included in the areas of climate change and disaster risk reduction, gender mainstreaming and youth.

### **Climate Change and Disaster Risk Reduction**

Vanuatu is prone to natural disasters, and with climate change, the frequency and impact of these disasters is increasing. Social and economic development in Vanuatu will continue to be affected, underlining the need to mainstream disaster risk reduction and disaster management (DRR&DM) and climate change adaptation into national planning and budgetary processes.

### **Gender mainstreaming**

Ensuring women's equitable participation in social, economic and political decision-making is a key determinant and driver of development. While Vanuatu has achieved gender parity in education, the empowerment of women at all levels of society has seen little progress. Ensuring that gender is effectively mainstreamed into all policy objectives will be critical for the next PAA.

### **Youth**

The 2009 population census reveals that over 40 per cent of the population are young people. This "represents a challenge and opportunity to the government to ensure that young people have adequate access to employment, livelihood opportunities and basic services. Increased attention to, and investment in, young people across sectors is a critical shift in the policy objectives in this review.



## **2. Progress in implementing the Strategic Priorities**

The PAA identifies seven Strategic Priorities to achieve the national Vision. For each Strategic Priority there are Policy Objectives with associated Strategies to achieve the objectives. During the review and update of the 2006 PAA, an assessment was made by responsible line ministries and the Prime Minister's Office on the achievement of Strategies including those identified in the PLAS. The review also identified gaps where new Strategies were needed. As a result of the review, some Strategies have been removed as they have been completed; others have been adjusted in line with progress already made, some have been added to address gaps. Three of the Strategic Priorities have been renamed to better reflect the Policy Objectives and Strategies they contain.

The Strategic Priorities are:

1. Private Sector Development and Employment Creation
2. Macroeconomic Stability and Equitable Growth
3. Good Governance and Public Sector Reform
4. Primary sector development, environment, climate change, and disaster risk management
5. Provision of Better Health Services, especially in rural areas
6. Education and human resource development
7. Economic Infrastructure and Support Services

All the policy objectives and strategies in the Strategic Priorities need to be addressed. The Strategic Priorities are inter-linked and complement each other. Failure to implement policies in one Strategic Priority hampers implementation of other Strategic Priorities. For example, slow progress in public service improvement has hampered achievement of policy objectives in health and education.

### **1. Private Sector Development and Employment Creation**

There has been some progress in promoting private sector development based on Vanuatu's comparative advantages. However, many of the policies necessary to create the enabling environment for the private sector are covered in other Strategic Priorities such as transport and utilities and public service reform. Lower costs of doing business have been achieved in terms of telecommunications, but utility charges remain high and public service delivery of services has been a constraint to improving services to businesses.

No progress has been made in reviewing the tax base to make it more investment friendly although current attention is on improving tax compliance. The import tariff structure needs to be kept under review in line with Vanuatu's trade and industrial policies and pending trade negotiations and agreements.

Government has increased access to financial services with rural banking services expanded through the National Bank of Vanuatu and the Agriculture Development Bank. However, the

implementation of movable assets as collateral legislation (through the Personal Property Securities Act) is yet to be implemented. An electronic registry must be updated before movable assets can be used.

The VANWODS, a micro-finance NGO that targets women, has also expanded its coverage into rural areas and increased its product range for savings and loans. However investors are still limited in access to longer-term finance (particularly for tourism ventures).

The government has recently commenced a major land reform initiative (Mama Graon project) aimed at improving decision making on land issues, improving land management procedures and practices, and minimising the potential for conflict over land. This follows activities that have strengthened the administration and operational systems in the Department of Lands with the e-Land Registry now near completion. The Land Tribunal has been moved from the Ministry of Lands and Natural Resources to the Ministry of Justice and Community Services. These reforms and initiatives will improve investor confidence in the security of land leases.

There have been a number of improvements in providing better support services to business including streamlining services and removing duplication. A Medium Small Micro Enterprise policy has been developed and approved by the Council Of Ministers. The Co-operative movement has received support to re-establish itself and its services; the loans schemes administered have been rationalised and harmonised and policies tightened for compliance with debt recovery. A new cooperatives policy has been approved and the Cooperatives Act is currently being reviewed to cater for the policy and needs of the cooperatives. There is a need for better mechanisms of coordination and collaboration between the government, the department of cooperatives, and the Chamber of Commerce.

Work to improve the Vanuatu Investment Promotion Authority (VIPA) services is proceeding at a slower rate than planned but it is nevertheless on-going and includes streamlining the foreign investment approval process under existing legislation. The implementation of reforms will enhance the transparency of the approval process and reduce average application processing time by half (from 30 working days to 15 working days). It has realigned its structure to balance its regulation and promotion functions to place more emphasis on the latter. This should reduce the frustration voiced by foreign investors at the cost and time it takes to obtain government approvals to establish and operate businesses.

The Government has repealed the Vanuatu Commodities Marketing Board Act with the objective of transferring marketing and commodity trading functions to the private sector. Marketing functions are now the responsibility of producer groups such as the Vanuatu Organic Cocoa Growers Association or individual private companies. However, it will take some time and additional resources to incorporate these marketing functions.

Vanuatu exporters' ability to meet biosecurity requirements is generally limited; as is the ability to adapt to changing consumer preferences in target export markets. Vanuatu is participating in a number of projects and programs to increase commodity exports including "Increasing Agricultural Commodity Trade project" to commence in 2011 funded under the European Development Fund 10.

A new department of industry has been created within the Ministry of Trade, Industry, Tourism and Cooperatives. The new department, however, will need capacity development.

An industrial policy is currently being developed which will be compatible with trade policy and the Diagnostic Trade Integration Study (DTIS) action matrix.

The tourism industry in Vanuatu is promoting new experiences that are authentic and unique to Vanuatu trying to realize the potential to attract international visitors through nature-based, soft adventure activities and authentic cultural experiences. The Vanuatu Tourism Office soft-launched its first ever-dedicated global brand campaign ('Discover what matters') in Australia, its largest market in late 2010. This is a significant shift away from previous initiatives to target 'high income' tourists. Work is on-going to develop tourism industry standards (quality standards for accommodation etc.) with the Provincial Tourism Councils.

It is difficult to assess how successful the implementation of the PAA has been in employment creation as employment encompasses both the formal (paid employees in the public and private sector, registered businesses) and informal (subsistence farmers, market or roadside vendors etc) sectors and there is very little information about trends in the informal sector. Information on Vanuatu National Provident Fund (VNPF) contributors is commonly used to represent the extent of the 'formal' labour force in Vanuatu. Since 2005 the number of contributors excluding government to the VNPF has increased from about 18,200 to 21,500, an increase of 30% (including expatriate workers on contract).

Temporary employment opportunities overseas are available through the New Zealand seasonal work scheme. An Australian scheme is also commencing. There are also opportunities for the employment of seafarers.

### **Changes to Policy Objectives and Strategies**

Policy objectives and strategies for land have been expanded based on the PLAS strategies and emphasise the implementation of key recommendations of the national land summit, the strengthening of land laws to improve transparency, and the strengthening of the capacity of the Ministry.

Ensuring a conducive environment for commodity exports, including improvements to quarantine and other trade facilitation services has been linked to the implementation of the policies from the Diagnostic Trade Integration Study (DTIS).

A new objective has been introduced to cover employment creation covering skills development and overseas employment opportunities, including seafarers.

## **2. Macroeconomic Stability and Equitable Growth**

The government has been successful in maintaining macroeconomic stability. On the monetary side, the macro fundamentals are properly managed by the Reserve Bank of Vanuatu (RBV). Foreign exchange reserves have been adequate and the currency has been managed appropriately. Monetary targets are set and properly monitored. Some progress has been made in terms of financial supervision and regulations. Responsibility for all supervision is gradually being transferred to RBV.

Inflation has been well managed although Vanuatu has suffered, along with other Pacific island countries, from rising food and fuel prices.

Fiscal management has been, on the whole, sound. The Ministry of Finance and Economic Management (MFEM) exercises control and responsibility in accordance with the Public Finance and Economic Management (PFEM) Act which requires the Minister of Finance to target a balanced or surplus budget every year, which is interpreted as having a surplus for recurrent expenditure and revenue. Fiscal management will be more predictable with recent changes to restrict supplementary appropriation bills.

The IMF Article IV consultations report from 2009 notes “the authorities” successful efforts at fiscal consolidation combined with no new borrowing for several years led to a decline in the debt-to-GDP ratio to about 14% in 2007 from over 40% in 2002. The debt ratio inched up in 2008 reflecting disbursements under a newly contracted bilateral loan to finance the “E-government project” which will computerize fiscal operations across the different ministries and enhance expenditure tracking and transparency.” The development of Finance bureaus in the Provinces is on-going.

Progress has been made in integrating aid donor funds into the budget and rationalising the system of securing aid funds for projects. The Integrated National Budget, incorporating all expenditures funded from domestic and external sources, was first released for the 2010 budget replacing what was referred to as the development budget.

### **Challenges**

This Strategic Priority includes the promotion of Equitable Growth. This is achieved by having macro-economic stability and through the implementation of PAA policies to improve basic services, infrastructure and the environment for private sector development. However, ensuring Equitable Growth also involves addressing emerging economic disparities between urban and rural areas, between age groups as well as disparities based on gender. Increased rural to urban migration, the emergence of urban squatter settlements and high youth unemployment all need more attention. The increasing access to and reliance on the cash economy brings opportunities but also vulnerability to economic crises and challenges for families to meet basic needs.

A major challenge is to align PAA priorities to corporate plans, budget programmes, and budget narratives. The development of sector Medium Term Expenditure Frameworks (MTEFs) can be a useful complement to the integrated budget framework. There is also a need to improve budget submissions and to provide sufficient information to justify increases in budgets, particularly in the social sectors. This has contributed to the demands for supplementary budgets.

There is a recognized need to be more proactive in overall debt management and establish a more precise debt management policy for all public sector loans and guarantees.

Government is still grappling with a relatively high wage and salary bill, with reductions in the public service offset by a general wage rise in 2008. The operational budget is not likely to increase unless there are new revenue options identified, or funds are diverted from other areas. However, there is still scope for improvement especially, in the coordination of salaries and positions between the MFEM and the Public Service Commission.

Government recognises that procurement arrangements need improvement particularly in the area of ensuring competitive bidding and dispute resolution. The Government has been working to strengthen procurement processes, particularly through institutional strengthening



and more recently has begun working on amendments to the Government Contract and Tenders Act.

### **Changes to Policy Objectives and Strategies**

Policy Objectives and Strategies have been expanded to include PLAS strategies covering, among others, the new budget process, control of payroll costs, the establishment of financial service bureaus and the tightening of procurement procedures. An additional strategy has been added to address the need to ensure that growth is equitable and balanced.

### **3. Good Governance and Public Sector Reform**

This Strategic Priority is divided into four Policy Objectives covering a variety of governance issues drawn from the PAA 2006 and the PLAS. The fourth Policy Objective covers gender equality and has been moved from the health strategic priority to indicate the need for more attention by central agencies in this area.

Providing policy stability is the first Policy Objective. In this area the development of an MTEF is aimed at providing stability in policy and resource allocation with the objective of implementing the PAA policies. Developing a MTEF has been difficult due to problems obtaining accurate information about donors and their funding combined with coordination issues between key government agencies. However, where clear sector strategies exist, MFEM is working with line ministries to develop sector MTEFs. Further MTEFs at sector level are to be developed.

Keeping the PAA and sector policies updated is also important for policy stability. This has been achieved in this review of the PAA. But there is a need to place more emphasis on monitoring and evaluation and in preparing the Annual Development Report in order to track performance in policy implementation.

Government recognises the involvement of NGOs as potential partners in the delivery of services to the people of Vanuatu. Government has signed a Memorandum Of Understanding (MOU) with the national umbrella NGO organization (VANGO) to re-enforce its partnership cooperation in delivering services. However, this is very general and therefore the government is currently working with VANGO to review the MOU.

There is a need to improve the capacity of the Foreign Service and strengthen foreign and trade relations. Amendments to the Foreign Service Act have already been completed. It is expected that further strengthening will provide a sounder basis for Vanuatu's engagement particularly in trade relations.

Providing policy stability and continuity is hampered by political instability. Policies to address political stability through constitutional changes, political parties legislation, and other changes to support stability were provided in the PLAS and the PAA.

A rationalisation of government ministries and departments can help improve policy coordination and implementation as well as providing savings for policy priorities.

The second policy objective concerns the provision of stable institutions particularly in the areas of law and justice, and constitutional bodies. In July 2009 the first Vanuatu Law and Justice Sector Strategy and Action Plan 2009 – 2014 was launched with results indicators and

timeframes. The Law Reform Commission was recently established but is yet to be fully operational. Capacity building and institutional strengthening of the Legal Sector is ongoing. The Supreme Court judges are both short and long term contracts to help build the capacity of the courts and 'circuit' judges to reduce the back log of cases. The number of cases pending has been reduced from 683 at the end of 2008 to 453 at the end of 2009.

A mediation process was initiated and established in 2009 as part of the efforts to reduce the backlog of court cases and in particular to address the commercial frustrations about delay in resolving commercial cases on time. In 2009, government made the appointment of court's Master to take up the responsibility of the mediator. Despite legislative provisions for court-referred mediation, these have not been widely used due to the lack of accredited mediators and no system of attaining such accreditation. The initiative to examine options for incorporating kastom dispute settlement is also to be explored.

Although the Family Protection Act is now law in Vanuatu, the implementation of the provisions therein has been slow. Mechanisms need to be established for the prevention, reporting and responding to cases of abuse, violence and exploitation in communities, particularly for the most vulnerable families and children. There is also a need to strengthen linkages with traditional social protection through community-based institutions (including churches) and customary leadership.

Policies to ensure that Political Leaders and bureaucrats are held accountable for their decisions through strengthening of the Auditor-General and Ombudsman's offices, and the Public Accounts Committee have made some progress. Activities are on-going to strengthen the key institutions of the Office of the Ombudsman and the Auditor General. The draft amendments for the Ombudsman Act are currently going through the consultative process. There is a need to push ahead with the amendments, which were first suggested in a review of the act in 2001. The establishment of the Leadership Tribunal will be a key milestone.

The government recognizes that the Office of the Auditor General (OAG) needs further strengthening. The OAG faces challenges with staffing capacity and capability as well as the efficacy of their audit methodologies and systems. These issues mean public accounts are often not audited to high standards in a timely manner.

The third policy objective covers the development of a productive public sector. Although some progress has been made in improving remuneration levels in the public service, there is a need to re-commit to reforms to improve accountability, incentives and performance.

Improving public sector management will be enhanced by the development of national population and human resources development policies. These policies will help to shape skills training to meet labour market needs.

There is much potential to improve public service delivery by strengthening governance at the provincial and municipality level. The government has shown a strong commitment to decentralisation through the proposed establishment of public service positions in provinces and municipalities. To achieve this objective the government has amended the Decentralization Act to allow for key positions to come under the administration of the PSC.

The institutional capacity of government and municipal authorities for urban planning and management, including urban development, infrastructure works, and provision of services,

needs to be strengthened. The various roles, responsibilities, and operations of different government departments and the different levels of government—national, provincial, and municipal—need to be well coordinated.

With donor assistance (ADB, AusAID) an urban development master plan was developed for Port Vila and Luganville. As well as drainage and sanitation this project has components for the building code, for a Zoning Master Plan for Port Vila and will address social dimensions including gender, resettlement, and a land acquisition and resettlement framework and plan (LARF/LARP). The implementation of an urbanisation policy is foreseen in the Action Plan.

State Owned Enterprises (SOE) reform has progressed very slowly. A draft Public Enterprise Bill has not yet been developed. Vanuatu has 22 SOEs: 14 are engaged in commercial activities, and the remaining 8 perform various non-commercial functions for government. Only 4 of the 14 commercial SOEs have produced, or reported producing, a commercial return in the past 5 years. Poor financial reporting practices mean accurately estimating the extent of the fiscal strain represented by the SOEs is difficult. Assistance has been requested to develop and implement an SOE reform programme.

The fourth, and new Policy Objective, concerns gender equality and the empowerment of women. There are no specific policy interventions to ensure gender equality in all levels of education, decision-making and wage employment. For example while the PSC has an equal opportunity employment policy, there are no proactive or affirmative measures to increase the number of women such as quotas or reserved positions.

The Department of Women's Affairs are in the process of defining their priority areas for policy and programme interventions which will focus on implementing the Family Protection Act, gender mainstreaming in government and general awareness raising programmes because of resource constraints (financial and technical capacity). The National Plan of Action for Women 2007 – 2011 (currently undergoing review) identifies twelve critical areas of concern for women consistent with the Beijing Platform for Action. The Department of Women's Affairs has developed a draft Women in Government Policy that identifies key strategies including research, education, and quotas to increase women's political representation, which needs to be finalised and implemented. This is supported by a draft Parliament Outcome Statement in September 2010 for affirmative action to support representation of women in parliament.

An important initiative is to ensure that gender is mainstreamed into all government policy development including the new PAA that will be developed during 2015. This will require the strengthening of the institutional capacity of the Department of Women's Affairs to conduct gender analysis and gender mainstreaming across government programmes.

### **Changes to Policy Objective and Strategies**

The new Governance Action Plan contains many new policy areas, which have mostly been drawn from the PLAS. Of particular importance is the commitment to promote political stability, to strengthen social welfare through implementation of the Family Protection Act, the preparation of a national population and human resources development plan, the strengthening of provincial and municipal governance, and gender equality and the empowerment of women.

#### **4. Primary sector development, environment, climate change, and disaster risk management**

Some progress has been achieved in the primary sector. Increased production has been recorded in copra, cocoa and other traditional crops. However, increased copra production has been met with a decline in the world price of copra. On the other hand, cocoa production has been boosted by an increase in world price. Enormous potential and opportunities exist in increasing production and incomes in the sector through planting of high yield and pest resistance crop varieties, adoption of modern farming practices/techniques and husbandry and the use of technology to increase farm productivity, strengthened research and development, better farm management and cropping programmes and access to microfinance and credit.

Agriculture is the backbone of the economy. More than 75% of rural communities are engaged in the primary sector earning an estimated average monthly income of VT 23,990 from the sale of agricultural produce.<sup>2</sup>

Vanuatu beef is a world-class export product. Cattle production was historically linked to the plantation sector and remains so now, concentrated on the islands of Espiritu Santo and Efate and to a certain extent on Malekula and Epi. The Agriculture Census 2007 results indicate that the commercial (plantation) cattle sector has declined while the smallholder sector has expanded, with the increasing importance of cattle in some custom events, the use of cattle to demonstrate land ownership, and the lower maintenance of cattle to other livestock such as captive pigs.

Cocoa's success depends on its well-organised structure with on-going training and skills development programmes clear understanding of export requirements and ready access to expert advice. This model is being promoted for other 'cash crops' such as vanilla, pepper and coffee (in areas where coffee can be grown).

There are on-going projects to grow 'cash crops' (basically any non-traditional crop sold such as coffee, pepper, vanilla, cocoa, dried spices etc.); improve traditional farming practices (introducing modern methods and varieties); promoting food security (tending to concentrate on traditional crops); improve livestock production; and to promote modern methods such as 'agroforestry'.

The government is currently in the process of developing an overarching strategy for the primary sector and it is expected that the final draft will be released at the end of 2011. This will build a basis to formulate sector policies in the areas of agriculture, fisheries, forestry, and livestock.

It is expected that the national forestry policy will be endorsed in early 2011 and the updated forestry inventory released.

The fisheries sector recently launched the Vanuatu Aquarium Trade Management Plan and the Vanuatu Revised Tuna Management Plan (2009). There are also initiatives, mostly in the fisheries sector and some in forestry or more generally sustainable development, to have community management plans for the management of the coastal and 'inshore' fishery and other community resources (forests, land etc.).

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<sup>2</sup> Source: 2006 HIES.

## **Challenges**

The performance of commercial agriculture has been poor and declining; with the exception of cocoa and late in 2010 when copra prices rose. The 2010 MDG Report highlighted declining production of traditional food crops over the past 20 years and an associated increase in imported food items such as rice and flour. In 1983 it was estimated that a person consumed on average 0.9 kg per day of traditional food crops, but this had decreased to 0.5 kg per person per day by 2007. Over the same period the production of food crops increased by 6% whereas the population increased by 88%.

The cattle smallholder sector could improve production and income through, for example, improving calving ratios, decreasing the bull ratio, and improving the herd proportion of cows and heifers to sustain herd size. There is potential for a thriving beef industry which is currently constrained by a lack of awareness and forward planning on the part of farmers to increase herd sizes and the high costs or lack of reasonable access to transport to markets or landing points.

There is limited information on the activities of commercial logging and economic returns. The forestry sector exported approximately 273 million vatu of sawn timber in 2007; which declined to 167 million vatu in 2008 and 45 million vatu in 2009. There are on-going forest conservation programmes (mostly responding to community initiatives) and donor assisted replanting programs (e.g. Sandalwood in Tafea). There are also problems with enforcing the Code of Logging due to a lack of appropriate human resources within the ministry for enforcement.

Assistance to the agriculture sector is fragmented making management and administration structures inefficient with limited opportunities for resource sharing and pooling through poor planning. Many of the initiatives to grow 'cash crops' were poorly coordinated and did not complement each other.

The Ministry of Agriculture, Quarantine, Forestry, and Fisheries (MAQFF) and the Ministry of Trade, Industry and Tourism (MTIT) are working together to develop the overarching productive sector strategy encompassing primary sector, trade, and industry. It will be important to include a workforce plan to identify the range of skills needed to support the sector as well as to effectively coordinate activities between the two ministries.

## **Environment, Climate Change and Disaster Risk Management**

In 2010 the Environment Unit was endorsed by the Public Service Commission to become the Department of Environmental Protection and Conservation in compliance with the 2002 Environmental Protection and Conservation Act (EPCA). The EPCA is very broad and will be extremely difficult to fully implement. The Department does not have the resources to do this especially in technical and scientific areas. For example the Environmental Registry does not cover all of the areas listed in the 2002 EPCA. There has been controversy about the preparation of Environmental Impact Assessments and whether these meet the terms of reference prescribed in the EPCA. The Biodiversity Advisory Council is yet to be established to monitor activities like biodiversity research and bio-prospecting.

There are a number of options for recognising Protected Areas: conservation areas under the Forestry Act, 2001; marine reserves under the Fisheries Act, 2005; protected sites under the

Protection of Sites and Artefacts Act; and national parks and nature reserves under the National Parks Act, 1993. The Provincial Councils are also empowered to create environmental protection zones under the Decentralisation and Local Government Regions Act, 1994. However, these options tend to be under-used (e.g. there are no national parks and the only formal marine reserves declared to date are for the protection of tourist dive sites). In general the current protected areas are not necessarily fully 'protected' but managed by communities or leaders in such a way as to conserve the present ecosystems.

The Department of Geology, Mines and Water Resources under the Ministry of Lands and Natural Resources is responsible for monitoring coastal water quality to ensure the environmental protection of Vanuatu. The international development agencies such as ADB and World Bank are providing financial and technical assistance to improve delivery of sustainable drainage and sanitation services in Port Vila and the surrounding areas which should be completed by 2015.

Problems associated with poor (or none) sewage treatment and high levels of pollution are largely a problem associated with sites near the urban centres and communities living near lagoons (e.g. Erakor near Port Vila). However, this is also an emerging concern in other urban centres and communities, for example, the sinking of the ship "Bercy Jean" in Lenakel harbour in October 2010, which could cause considerable pollution from fuel spillage. By the time the government agencies, provincial council and municipal council had fully assessed the situation it was too late to prevent the pollution in the harbour and its surroundings. Government is ill equipped to respond to such emergencies and it does not have any insurance schemes or funds for rehabilitation or compensation. Draft laws relating to pollution standards have been prepared, but not yet implemented.

Ecotourism is one of the pillars of tourism policy based not only on sustainable management of the environment and conservation and preservation, but also because of the potential cost effectiveness of 'low impact' eco-tourism initiatives. Sustainable tourism initiatives are a climate change adaptation priority area in the National Adaptation Plan of Action (NAPA).

Climate change issues are being addressed through the development of a climate change policy. However, the policy, although drafted in 2010, has yet to be adopted.

Areas prone to disasters have on-going programmes for Disaster Risk Management. Activities have begun in some communities for disaster risk reduction with support of provincial governments and area councils. However, this approach is ad hoc and depends on the initiatives of the communities and individuals concerned, as well as donors. A cornerstone of Vanuatu's Disaster Risk Reduction and Disaster Management (DRR&DM) strategy is its reliance on traditional knowledge and implementation through traditional governance systems.

The National Task Force and working groups for disaster risk reduction structure functions with the National Disaster Management Office (NDMO) acting as the secretariat. The challenge is for all sectors to include disaster risk reduction and disaster management in their budget planning and processes. Mainstreaming hazard risk management is constrained by resources (skills, capacity, finance) and some communities and provinces have begun the process of developing and implementing DRR&DM plans. Penama province recently completed its DRR&DM based on considerable community consultation. This work is on-going.

The NDMO is also constrained by having no power to require other agencies to act on any identified prevention measures. The governance arrangements for disaster management are being reviewed at the national level and should include explicit structures, accountabilities, and connections for cross-sector arrangements. Provisions should extend to the provincial and local levels.

Work to fully integrate DRR into policies and programmes has begun in the education and health sectors with donor assistance. Discussions are underway to promote DRR and climate change adaptation strategies and policies within the Tourism Industry. Traditional coping mechanisms particularly on food security during a time of disaster are being researched and documented for development of policy.

The coverage of disaster risk assessments and routine monitoring and surveillance has expanded as resources permit. Capacity is limited to use the information. NGO partners are very active in mainstreaming DRR&DM in on-going projects and programmes.

### **Changes to Policy Objectives and Strategies**

The Primary Production Policy Objective and Strategies in the PAA 2006 have been re-organised to make policy directions clearer and more focused on the key issues facing the sector.

Strategies covering the Environment have been strengthened to include the establishment of the EIA Trust fund and strengthening of the Department of Environmental Protection and Conservation. New Strategies have been introduced covering the Biodiversity Advisory Council, protected areas and coastal pollution. The finalisation of the Climate Change policy is also included.

New Policy Objectives and Strategies have been included in Disaster Risk Management which are drawn from the PAA Supplementary For Mainstreaming Disaster Risk Reduction And Disaster Management, which was published shortly after the PAA 2006 was endorsed.

## ***5. Provision of Better Health Services, especially in rural areas***

Progress has been made in key indicators such as reducing child mortality rates, maternal mortality rates and morbidity rates of specific diseases. However, progress in quantitative terms cannot be clearly demonstrated because of the uncertainty in accuracy of data and health indicators.

The commitment of government to revitalise primary health care (PHC) to help deliver essential health services at all levels of the health care system is a major milestone. The government is in the process of better defining its health systems to support the PHC revitalisation strategy to ensure equitable access to services as captured in the national health sector strategy. For example, a clear definition of health facility functions at each level and determining the resource packages that should be provided to match the facility functions.

At the tertiary hospital level, the use of the role delineation tool (for clinical services) has led to increased tertiary access based on need to the two referral hospitals in Port Vila and Luganville. Specialized tertiary services are not available in Vanuatu and are referred for overseas treatment, mainly to Australia and New Zealand.

In keeping with the Ministry of Health's (MOH) human resource development plan, initiatives have been launched to increase the number of medical professionals (doctors, nurses, associated medical professionals) throughout Vanuatu. Medical training is underway for doctors in Cuba, local nursing training programs have been scaled up and medical professionals from other countries are being recruited. In addition, partnerships have been developed with NGOs such as Wan Smol Bag and Save the Children to provide services.

The Health Sector Strategy 2010-2016 (HSS) stipulates the vision for the country's health sector development and is being used to underpin coordination with a health development partners group to align the assistance of development partners in a better-coordinated fashion.

### **Challenges**

The MOH has a number of severe financial and human resource constraints making it very difficult for it to complete any significant organisational changes. For example before it can start to begin to achieve its objective to move to a primary health care approach it must first have a full complement of community health workers supported by a national network of health facilities with appropriately qualified staff with the necessary supplies and equipment.

But the country currently faces a "double disease burden" where both communicable diseases and emerging non-communicable diseases coexist, putting severe stress on the health budget and overall health system. The MOH is facing difficult choices on how to prioritise health spending between primary health care and the increasing demand for tertiary care particularly for non-communicable diseases (NCDs). At present around 23% of the health budget is spent on community health while 42% of health workers are absorbed by the two referral hospitals.

A major concern across all sections of the health sector is the lack of human resources both in number and skills mix, to drive the health sector plan and deliver basic health services especially in the rural areas. Vanuatu remains dependent on aid-funded expatriate clinical and pharmacy specialists. Efforts are on-going to increase the number of ni-Vanuatu with such qualifications but this is a long-term objective. The most critical gap involves shortage of nurses who constitute the backbone of the health system. The Ministry is in the process of developing a long-term human resource plan based on the revised organisational structure.

Management, coordination and internal communication within key departments and between levels of health care delivery face many challenges. They contribute to the bottlenecks in delivering an efficient health system and reflect either the lack of guidelines and procedures in place or the lack of use. Collecting, reporting and synthesising health information for informed decisions and policy is essential. Reporting and feedback between national level and provincial health facilities is still inadequate and there is an urgent need to strengthen the management of a regular supply of essential drugs and micronutrients in the health facilities, including support for the cold chain system to maintain the potency of vaccines, at all levels. The situation at end of 2010 when the government medical store ran out of essential drugs is a consequence of these weaknesses.

Improving internal communication and enabling the systematic collection of data for the Health Information System (HIS) is essential to guide planning and budgeting. For example, data for neonatal mortality, a sensitive indicator for maternal and newborn care, is not available. It is estimated that neonatal deaths make a significant contribution to the overall



infant and under-five mortality rates. There is a need to rebuild the HIS which should constitute the main monitoring and evaluation framework used for guiding resource allocation.

Gender needs to be mainstreamed with existing health programmes and services, as much as possible. This approach should be reflected in the review of the reproductive health policy. Special attention to gender mainstreaming needs be made in the area of maternal health, family planning, unplanned pregnancy, and STIs.

There is more scope for working with civil society in the provision of health services. Existing MOUs with NGOs need to be closely aligned to the national health sector strategy. There are opportunities to strengthen partnerships with these organizations to deliver community-based services as they have the potential to complement and supplement government-run health services.

### **Changes to Policy Objectives and Strategies**

The Policy Objectives have been maintained in line with the Health Sector Strategy 2010-2016, however, strategies and indicators have been updated to meet the major challenges that face the Ministry of Health in the areas of primary health care, the double burden of communicable and non-communicable diseases, quality of health care, the HIS and improved management. Given the centrality of health to DRR, emergency preparedness and response elements have also been included.

The Gender objectives and strategies have been moved to the Governance section of the PAA to reflect the central nature of gender issues to development and in line with current accountability structures.

## **6. Education and human resource development**

There has been considerable progress towards achieving the Universal Primary Education (UPE) policy. The UPE policy was successfully implemented in 2010 through the financial assistance from development partners and the government. This has been a huge step forward in ensuring equitable access. In addition, the on-going programme for school upgrade and construction is increasing access in rural areas.

Teacher training will be improved by recent revisions in the standards of training programs offered by the Vanuatu Institute of Education for both teacher training and in-service training. Increased access to tertiary study in general has been achieved through an increase in scholarships provided by government and development partners.

Government has also taken steps to work more closely with churches and other non-government organisations in the provision of education services. The full management of some schools may be handed over to churches with government continuing to provide funding support. There are an increasing number of 'private' schools and health facilities run by churches and this policy reflects this.

The education sector has a sector strategy, the Vanuatu Education Sector Strategy 2007-2016, which is being implemented in conjunction with development partners through a 'Sector Wide approach' based on the Vanuatu Education Roadmap (VERM) and an education MTEF

agreed with the Ministry of Finance. Resources devoted to the education sector are adequate, however, there is uneven share of budget between personnel emoluments and operational expenses. Despite recent improvements to fiscal and financial management in the sector, there is still much room for improvement at the provincial and school level.

The Vanuatu Technical Vocational Education and Training (TVET) Policy 2010-2014 developed by the Ministry of Youth Development, Sports and Training (created in 2009 and abolished in 2012) reflects the importance the TVET sector now has in education and training. The work programme will include strengthening of the Vanuatu National Training Council (VNTC), which will engage the private sector, civil society and Government in the reform of the TVET system and the development of a revitalized curriculum, as well as assessment and qualifications arrangements based on agreed competency standards. The TVET is currently being piloted in Malampa and Sanma, targeting school leavers to enable self-employment and sustainable livelihoods in rural communities.

A critical next step is the development of a National Human Resources Development Plan to identify labour market skill needs and how these can be met based on likely population and labour market participation. The preparation of this plan is covered in the Governance section.

#### *Youth*

In terms of youth development and sport, the most significant accomplishment has been the establishment of the Ministry of Youth, Sports and Training and development of the Vanuatu Youth Empowerment Strategy (YES) 2010-2019. The Nabanga Sports Program has been redesigned and Provincial Youth Councils established in 2009 and a National Youth Council in 2010.

#### **Challenges**

Despite achievements in increasing access to primary education there are serious concerns about the quality of education with poor 2010 examination results for year 8 and year 10. In addition the Early Grade Reading Assessment carried out by the World Bank in 2010 found that only 10% of Anglophone students in grades 1-3 were reading at grade level, and only 8% of Francophone students. In-service and quality pre service training of teachers is the main contributing factor to the quality of education followed by the curriculum. There is a need for commitment and coordination from the Ministry of Education to ensure strong linkages between curriculum development, assessment, teacher training and performance management.

Access to Early Childhood Education has not improved as expected, with the under resourcing of the 'kindy' system leading to lower skill levels and abilities for children entering primary education.

Access to special education has also not improved as expected. However, an Inclusive Education Policy and Strategic Plan exists and a post on disability has been created and funded by the government.. There are no direct policies to ensure a gender balance in access to education. The Ministry of Education has developed the Gender Equity Policy 2005 – 2015, which is currently being reviewed, to address the gender disparities in education.

The harmonization of the education system (Francophone and Anglophone) and a process to provide clear guidance and minimize the duplication and wastage should be seen as a step

forward in overall efficiency.

Whilst there have been improvements in the management of the education sector there is still a need to improve leadership and performance management in the sector to improve prioritizing of human and financial resources on identified education priorities. There is also a need to address human resource issues, in particular the inadequate number of certified teachers at school level and mismatch between staffing and technical needs in the Ministry.

The Ministry of Youth Development, Sports and Training has a broad mandate with a relatively small staff. It currently lacks information and data on youth employment and other youth issues and will need to develop coordination skills to ensure that youth issues are addressed in other sectors.

### **Changes to Policy Objectives and Strategies**

Policy Objectives remain similar to the PAA 2006 for education. However, Strategies have been revised to reflect the Education Strategy and VERM. Elements of disaster-risk reduction have also been addressed. In addition the Strategy to prepare a National Human Resource Plan has been moved to the Governance section where the Plan will be linked to population issues and broader labour market needs.

New Policy Objectives have been included to reflect the importance of youth issues, with an emphasis on access to economic and livelihood opportunities.

## **7. Economic Infrastructure and Support Services**

There have been some major successes in providing more affordable telecommunications and aviation services. Deregulation in these sectors has led to greater competition and lower prices and has underpinned the growth of the tourism sector.

There has been a dramatic increase in tele-density as a result of these reforms. With the increased competition between Digicel and TVL, current mobile coverage is now about 90 per cent. A Universal Access Policy (UAP) Fund has been set up to subsidise the delivery of mobile telecommunications services to selected remote areas.

A new air service agreement was signed between the Government of Vanuatu and the United Arab Emirates bringing the total number of current ASAs to ten, four of which are effective and currently utilised.<sup>3</sup>

The main mode of transport in Vanuatu is by sea, via small craft in coastal areas and combined passenger and freight vessels for interisland movements. Outside of Port Vila and Luganville, shipping services call at about 36 small jetties or wharves and many more informal anchorages or beach landing sites. For most communities, services are relatively frequent and reliable. The government has created a new office of Maritime Affairs within the Ministry of Infrastructure and Public Utilities (MIPU), which will eventually take over regulation of both vessels and infrastructure. With donor assistance the international wharf in Port Vila has been upgraded and improvements are on-going for the domestic shipping service.

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<sup>3</sup> ASAs with Australia, Solomon Islands, New Caledonia and New Zealand are currently utilised.

Major improvements in Efate have been the completion of the round-island road upgrading. However, the road network remains concentrated around Port Vila and Luganville. There are currently about 1,800 km of roads, of which less than 100 km are sealed and less than 400 km have gravel surfaces. Many islands have no roads at all.

Government, with AusAID support, has embarked on the long term Vanuatu Transport Sector Support Program (VTSSP), phase 1. This consists of supporting the MIPU and the PWD to improve rehabilitation and maintenance of road transport infrastructure, with a focus on agreed works in the provinces of Ambae, Tanna and Malekula. The focus is on strengthening and using local private sector capacity to undertake works, using small and medium scale contracting and labour based appropriate technology methods, managed through the PWD, using Government of Vanuatu processes as much as is practicable.

In July 2009 government established the framework for the operation and maintenance of international airports and domestic airports and airstrips. Commercially viable airports (three international) are operated by SOEs and all other airports and airstrips (26) are maintained by the PWD.

A large majority of the population still have no access to basic electricity services. National access to electricity was 33% in 2009, up from 27% in 1999. Of this national coverage – 82% of households in the urban areas have access to electricity with 17% of rural population having access. The regulatory framework in the power, and water, sectors has been improved through the enactment of the Utilities Regulation Act 2007 and the establishment of the Utilities Regulatory Authority (URA) in 2008.

The Vanuatu National Water Strategy 2008-2018 focused on the overall goal of ensuring a sustainable and equitable access to safe water and sanitation, particularly in rural areas, is being implemented. Most of the activities are funded by the development partners. Activities include the maintenance of water supply equipment at the community and the Province level.

Vanuatu is one of the recipients of the Japan-assisted Regional Waste Management Strategy. JICA has previously funded the development of a sanitary landfill at Boufa for the Port-Vila Municipal Government. The Pacific Regional Solid Waste Management Strategy 2010 to 2015, developed by SPREP, serves as the umbrella document in developing waste management policies and action programmes, at the national level. Vanuatu is also participating in the implementation of other SPREP waste management projects implemented through financial assistance from the EU, AUSAID, NZAID, and UNEPGEF.

To date, a Solid Waste Characterisation and Management Plan has been produced. There are many laws and local bylaws in Port Vila that have implications for solid waste management. UNDP has a project in the preparatory phase with the objective to evaluate the logistics, costs and feasibility of establishing solid waste management facilities in Port Vila, and Luganville.

The Vanuatu Meteorological Service (VMS) is upgrading its forecasting and monitoring equipment and improving its operations for more timely and accurate weather and climate forecasting and wider dissemination of warnings. All six provinces now have at least 1 VMS weather observatory. The VMS also manages the NACCC (National Advisory Committee on Climate Change) to oversee implementation of climate change activities.

## **Challenges**

Although marine transport is the most common transport mode, about 10% of the population in more remote locations where populations are small, economic activity is low, and the cost of providing regular, reliable and safe services is high, does not receive regular services and needs support. Whilst there is a need to reduce unnecessary subsidies there is also a need to recognise social obligation costs and how they can be managed transparently. The maritime sector in particular requires wide-ranging reform as there are a number of constraints on domestic shipping arising from present policy, institutional, legislative and governance arrangements.

Road and maritime infrastructure is inadequately maintained and typically in need of both rehabilitation and on-going maintenance, however, budgetary and human resources are insufficient to address the backlog. Even at current levels, the road maintenance budget is only about 25% of the estimated amount required for routine maintenance and rehabilitation. One of the issues to address is to identify which roads the PWD is responsible for and which are the responsibility of the provincial administrations. Due to lack of government funding, the airline operator pays for some maintenance at the airports and airstrips it uses regularly in order that they are usable.

The government has yet to establish a separate Land Transport Authority to regulate licensing and safety and to bring about more efficient administration.

The Vanuatu Infrastructure Master Plan (VIMP) is currently under development. It is important to finalise the plan, taking account of disaster and climate impacts, in conjunction with stakeholders including the private sector, provincial governments and area councils.

A national renewable energy strategy would be a useful guiding framework for the many donor funded initiatives and national initiatives in this area. This should be incorporated into the Vanuatu Energy Road Map that is being prepared.

Completion and implementation of the Draft National ICT Services Policy is also important in order to maximise the effectiveness of modern ICT equipment and services in supporting economic and social development.

Lack of capacity within government departments is a common challenge. In this area, there are many shortages of technical skills to assist in regulatory matters or of engineers and those with project management skills.

Land is a critical prerequisite for infrastructure development particularly in the provinces and continues to be a bottleneck not only for infrastructure but in the development of other sectors.

### **Changes to Policy Objectives and Strategies**

There have been weak linkages and alignment between MIPU Business/corporate plans and the PAA 2006 sector policy objectives and strategies. Policy objectives and strategies have been revised to be more explicit. They also take account of PLAS strategies concerning stevedoring concessions, improved governance of the domestic shipping industry, the promotion of renewable energy, the e-government programme, and new objectives covering new airports and a review of the air services agreements.

### **3. Implementation strategy**

#### ***Simplification and Performance Management***

The PAA 2006 describes how the PAA policy objectives were to be developed and implemented. The PAA Strategic Priorities provide the main priorities for development of sector plans, strategies and programmes. In turn, these are developed into Corporate Plans and Business Plans, which specify in more detail the annual or monthly activities of ministries and departments. These activities are then funded through the budget (including donor funds) and lead to development outcomes. This process is in continual flux as priorities change, sector strategies and plans are developed, projects are completed or started, programmes are expanded or changed.

PLAS was developed in order to more clearly specify what activities were required to achieve priority policy objectives as well as to address new priorities.

The review of the PAA 2006 has revealed many implementation bottlenecks in achieving the policy objectives and strategies of the PAA 2006 and PLAS. Many of the bottlenecks are stated as lack of capacity or lack of financial and human resources. Some of the bottlenecks are a result of weak management within ministries and departments and a result of poor coordination.

Many problems were caused by poor linkages between the PAA policies, the PLAS policies, sector strategies, corporate plans and business plans, and budget programmes and narratives. The weak linkages and multiple, disparate objectives lead to a lack of clarity on priority actions and outcomes for line ministries. Given Vanuatu's limited human and financial resources, maintaining a keen focus on priority outcomes is essential.

The lack of alignment between levels of planning and budgeting is of particular concern. Budget allocations to nationally agreed priorities are unclear and there is a lack of information about how resource allocation decisions are affecting ministry performance in achieving policy objectives.

In addition, there is little pressure for ministries to demonstrate that policy objectives are being achieved. Overall accountability for delivering the results outlined in the PAA is weak, and there is therefore little pressure to collect information to show that policy objectives are being achieved.

Therefore, in order to improve implementation and the progress in achieving policy objectives, government, through the PM's office, will work with PSC and line ministries towards the:

1. Simplification and coordination of these 'layers of plans' to ensure they are aligned, particularly to budget programmes. The PAA Action Plan for each Strategic Priority will be linked directly to the new format Corporate Plans, which should be directly aligned with Budget programmes, narratives and indicators.
2. Incorporation of achievement of corporate plan and budget programme objectives into public service performance management.

#### ***Monitoring and Evaluation***

In order to ensure that results are being achieved, government will systematically monitor and

evaluate the performance of line ministries and departments in achieving the outputs and outcomes specified in the PAA Action Plan and budget programmes and narratives. The PM's office will coordinate this work.

Government already recognises the importance and value of monitoring and evaluation. The PAA 2006 provides for the preparation of an Annual Development Report to summarise progress in implementing the PAA. Since the PAA 2006 was introduced there have been two Annual Development Reports. The latest 2009 Report provides an overview of progress in implementing both the PAA and PLAS.

Government's commitment to Monitoring and Evaluation was re-affirmed with the establishment of a dedicated M&E Unit within the PM's office in 2008. Monitoring and Evaluation is understood to be useful in identifying major constraints affecting the implementation of government programs, policies and projects. Government has an M&E policy framework whose goal is to "Improve efficiency and effectiveness of service delivery". This goal is to be achieved through:

1. Promoting accountability for the achievement of policies and programme objectives through the assessment of results, effectiveness, processes and performance of government agencies.
2. Promoting learning, feedback and knowledge sharing on results and lessons learnt among ministries and departments, as a basis for decision making on policies, strategies, programme management, and projects and to improve knowledge and performance.

The M&E Unit is tasked with preparing, in consultation with line ministries, a set of monitoring reports covering the revised PAA, COM decisions, budget programmes, and projects/NPPs.

In order to facilitate better monitoring, the Unit has been working with line ministries to align the PAA policy objectives with corporate plans/business plans and the budget programmes and narratives. Once these linkages have been improved across the major line ministries, the task of reporting on development performance will be simpler and more transparent.

However, many challenges remain in creating a 'culture' of monitoring and evaluation. Reporting on many of the indicators in the PAA has been hampered by the lack of timely data and the lack of baselines to track progress. There is no systematic organisation of collection of data for the indicators in the PAA or in other policy documents. This makes preparation of the Annual Development Report difficult and time-consuming and means that not all of the indicators can be measured.

A priority for effective M&E is the systematic and coordinated collection of data to monitor the PAA indicators including those collected through the line ministries. The monitoring database needs to include baseline figures, annual figures and breakdown of key indicators by geographical location and by gender where possible.

It is proposed that broad responsibilities for monitoring be shared among central agencies and line ministries as follows:

1. MFEM monitoring of inputs with line ministries and departments;
2. PMO monitoring of outputs with line ministries and departments;

3. PMO monitoring of outcomes with line ministries and departments through the ADR, which should include geographical, age and gender disaggregation where possible.

FINAL



#### **4. PAA Action Plan: Policy Objectives and Strategies 2011 - 2015**

1. Private Sector Development and Employment Creation
2. Macroeconomic Stability and Equitable Growth
3. Good Governance and Public Sector Reform
4. Primary sector development, Environment, Climate Change and Disaster Risk Management
5. Provision of Better Health Services, especially in rural areas
6. Education and human resource development
7. Economic Infrastructure and Support Services

FINAL

## National Strategic Priority 1: Private Sector Development and Employment Creation

Indicator: Contribution of the private sector to GDP

Baseline: 60% of GDP in 2009

Target/Milestone: more than 60% by 2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<p><b><u>PO 1.1:</u></b> <b>Lowering costs of doing business</b></p>	<p><i>Indicators (<b>World Bank ease of doing business index</b>): Starting a business, Dealing with licenses, Hiring and firing workers, Registering property, Getting credit, Protecting investors, Paying taxes, Trading across borders, Enforcing contracts, Closing a business.</i></p> <p><i>Baseline: Vanuatu ranks 59th in 2010</i></p>	PMO	
<p><u>Strategy 1.1.1:</u></p> <ul style="list-style-type: none"> <li>- Improved public service productivity to reduce delays;</li> <li>- Effective oversight and regulation of utilities);</li> <li>- Better transport services and infrastructure.</li> </ul>	<p><i>Indicators for these strategies are included under Good Governance and Public Sector Reform (a), and in Economic Infrastructure and Support Services</i></p>	PSC, MIPU	2011-2015
<p><b><u>PO 1.2:</u></b> <b>Improving access to rural financial services – saving and credit</b></p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Level of credit to businesses through the commercial banking system, including micro credit;</li> <li>- Level of savings held by individuals/households including micro savings schemes.</li> </ul>	NBV, Ag Bank, FSC, Micro-credit providers, MFEM	2011-2015
<p><u>Strategy 1.2.1:</u> Developing micro-credit schemes further</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Level of micro-credit and savings;</li> <li>- Number of micro scheme clients</li> </ul>	Micro-credit providers, RBV	2011-2015
<p><u>Strategy 1.2.2:</u> Implementing the registration of movable assets as collateral</p>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- Level of credit secured by <i>movable assets</i>.</li> </ul> <p><i>Baseline: Personal Property Securities Act 2009 (PPSA) established.</i></p>	VFSC MFEM	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<b>PO 1.3:</b> <b>Equitable and sustainable development of land while ensuring the heritage of future generations</b>	<i>Indicator:</i> - <i>Number of complaints on land leases from clients / public.</i>	MLNR	2011-2015
<u>Strategy 1.3.1:</u> Implement key recommendations of the national land summit especially sustainable utilisation of land by Ni Vanuatu	<i>Indicator:</i> - <i>implementation of key land summit recommendations</i>	MLNR	2011-2015
<u>Strategy 1.3.2:</u> Strengthen Land laws Act to increase transparency in land lease decisions	<i>Indicator:</i> - <i>Law amended to increase transparency and reduce opportunities for corruption in the use of ministerial powers in land disputes and to enhance Government capacity to acquire land for public interest.</i>	MLNR, SLO	2011-2015
<u>Strategy 1.3.3:</u> Ensure a better management of land resources through zoning	<i>Indicator:</i> - <i>Percentage of total land area that is regulated by a zoning document.</i>	MLNR	2011-2015
<b>PO 1.4:</b> <b>Providing better support services to business</b>	<i>Indicator:</i> - <i>Number of clients that are assisted by Business Development Services.</i>	MNVBD, VCCI, VIT, TVET Centres, Dept of TOURISM	
<u>Strategy 1.4.1:</u> Support to the Chamber of Commerce, Cooperatives and Ni-Vanuatu Business Development, and NGOs providing support services to small and micro enterprises including encouraging the development of	<i>Indicator:</i> - <i>Number of support services that provide support by Province (including visiting services);</i> - <i>Number of training sessions by Province;</i> - <i>Number of Audits by Province</i>	MTIT VCCI TVET MNVBD	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
small scale niche market activities in the rural areas			
<u>Strategy 1.4.2:</u> Improved marketing of Vanuatu investment opportunities.	<i>Indicators:</i> - Number of profiles designed; - Level of foreign direct investment; - Level of joint venture investment.	VIPA MTIT RBV VNSO	2011-2015
<u>Strategy 1.4.3:</u> Reducing administrative barriers to Foreign Direct Investment	<i>Indicators:</i> - Amending laws in relevant Gov. Line Agencies; - Number of network meetings with stakeholders/agencies.	MTIT VIPA RBV	2011-2015
<b><u>PO 1.5:</u></b> <b>Increase tourism activities</b>	<i>Indicators:</i> - Visitor arrivals; - Cruise ship arrivals; - Tourist expenditure; - Number of jobs in the tourism sector; - Contribution of tourism to GDP.	MTIT, VNSO, VNPF	
<u>Strategy 1.5.1:</u> Increased tourist arrivals through better marketing and improved air links	<i>Indicators:</i> - Marketing expenditure (VTO + subsidies to inbound operators); - Number of international air seats offered to Vanuatu per week.	MTIT, VTO	2011-2015
<u>Strategy 1.5.2:</u> Increased tourism facilities and product range in both outer islands and urban centers	<i>Indicator:</i> - Number of hotel rooms by province and by category.	MTIT, VTO	2011-2015
<u>Strategy 1.5.3:</u> Improved quality of tourism services through accreditation, and awareness and training programs	<i>Indicators:</i> - Percentage of tourism services accredited; - Number of awareness and training sessions delivered.	MTIT, VTO	2011-2015
<b><u>PO 1.6:</u></b> <b>Enhance performance of trade and Industry</b>			
<u>Strategy 1.6.1.</u>	<i>Indicators:</i>	MTIT	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
Enhance performance in trade in goods and services	<ul style="list-style-type: none"> <li>- <i>Level of exports (in Million Vatu);</i></li> <li>- <i>Level of trade in services (in Million Vatu).</i></li> </ul> <p><i>for at least four sectors.</i></p> <p><i>Targets:</i>  <i>Value of trade in goods increased by at least 2.8% per annum;</i>  <i>Value of trade in at least four services increased by at least 2.8% per annum</i></p>		
<u>Strategy 1.6.2:</u> Enhance the contribution of the industrial sector to stable and inclusive growth and sustainable development	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Number of new industries established;</i></li> <li>- <i>Number of exemptions granted;</i></li> <li>- <i>Number of new employments created in the industry sector;</i></li> <li>- <i>Quantity and value of exports by industries.</i></li> </ul>	MTIT VNSO	2011-2015
<b><u>PO 1.7:</u></b> <b>Create better environment for employment opportunities</b>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Number of employees registered with VNPF;</i></li> <li>- <i>Employment indicators from Household and other surveys.</i></li> </ul>	PMO	
<u>Strategy 1.7.1:</u> Expand trade skills development	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Number of professional certificates delivered by recognised institutions;</i></li> <li>- <i>Proportion of new certificate holders that work in the formal sector.</i></li> </ul>	MOE, MYDST	2011-2015
<u>Strategy 1.7.2:</u> Expand seasonal worker and other overseas employment opportunities including development of the Vanuatu Maritime College to provide training for international seafarers	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Number of participants in New Zealand RSE scheme;</i></li> <li>- <i>Number of participants in seasonal labour scheme with Australia;</i></li> <li>- <i>Number of semi-skilled and skilled participants in MSG countries (including New Caledonia) SMS;</i></li> <li>- <i>Indicator: Number of ni-Vanuatu employed as international seafarers on foreign ships</i></li> </ul>	MOIA, VMC, Shipping Registry	2011-2015

## National Strategic Priority 2: Macroeconomic stability and equitable growth

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<p><b>PO 2.1:</b>  <b>Maintain sustainable fiscal balances while re-prioritizing expenditures, reducing debt and minimizing subsidies paid to SOEs</b></p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Budget outcomes (recurrent and overall deficit / surplus),</li> <li>- Revenue and expenditure ratios to GDP;</li> <li>- Public debt levels and ratio to GDP;</li> <li>- Expenditure shares for payroll;</li> <li>- Expenditure share for social services;</li> <li>- Level of subsidies / grants to SOEs.</li> </ul> <p><i>Targets:</i></p> <p>Debt less than 40% of GDP;            Payroll should not exceed 60% of total expenditure.</p>	MFEM	
<p><u>Strategy 2.1.1:</u>            Finalize and institutionalize new development budget process to better align resources to priorities</p>	<p><i>Indicator:</i></p> <p>Number of sector MTEFs developed</p> <p><i>Target: MTEFs being developed for key sectors</i></p>	MFEM + line agencies	2011-2015
<p><u>Strategy 2.1.2:</u>            Maintain prudent budget management practices at all levels of government and achieve responsible recurrent and overall budget outcomes</p>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- Deficit in terms of the overall budget:</li> </ul> <p><i>Target: Annual budget deficit should not exceed 3% of the overall budget.</i></p>	MFEM	2011-2015
<p><u>Strategy 2.1.3:</u>            Revisit government ability to pursue legal recourse for financial loss.</p>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- <b>outstanding financial loss</b> (way to calculate value to be determined)</li> </ul> <p><i>Baseline: Government recovers at least 30% of outstanding financial losses</i></p> <p><i>Target/Milestone: Government recovers 100% of outstanding financial losses</i></p>	MFEM	2011-2015
<p><u>Strategy 2.1.4:</u>            Strengthen government procurement and disposal of assets</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Contracts and Tenders Act and supporting procedures and practices reviewed and enforced;</li> <li>- Percentage of official aid funds that use Government finance processes.</li> </ul>	MFEM PMO	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<u>Strategy 2.1.5:</u> Prepare and implement a debt management strategy to gradually reduce domestic debt	<i>Indicators:</i> - Debt management strategy in place; - Domestic debt to GDP ratio, - Cost of servicing outstanding debt  <i>Targets:</i> debt management strategy in force; domestic debt to GDP ratio reduced.	MFEM	2011-2015
<b>PO 2.2:</b> <b>Maintain sound and stable monetary policy</b>	<i>Indicator:</i> - Monetary policy targets set and respected  <i>Target: changes in targets are gradual and planned</i>	RBV	
<u>Strategy 2.2.1:</u> Conduct monetary policy to maintain a healthy foreign reserve position, a competitive real exchange rate and low inflation	<i>Indicators:</i> - Number of months of imports cover; - Real effective exchange rate; - Inflation rate, - Interest rates	RBV	2011-2015
<u>Strategy 2.2.2:</u> Strengthen supervision and oversight of the financial sector including offshore financial services	<i>Indicator:</i> - Vanuatu international status / ranking for financial sector compliance	RBV, VFSC, MFEM (+WB, IMF ?)	2011-2015
<b>PO 2.3:</b> <b>Promote equitable and sustainable economic growth through the implementation of PAA policies to improve basic services, infrastructure and the environment for private sector development</b>	<i>Indicators:</i> - Income growth by location; - income distribution indicators.	PMO, VNSO, HIES and other surveys	
<u>Strategy 2.3.1:</u> Pursue a higher real economic growth rate	<i>Indicator:</i> - GDP real growth rate  <i>Target: At least 5% average real GDP growth over a 4 year period</i>	NSO	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<u>Strategy 2.3.2:</u> Ensure that economic growth is stable, equitable and balanced	<i>Indicators:            MDG indicators by location</i>	NSO, PMO	2011-2015
<u>Strategy 2.3.3:</u> Ensure that Household Income and Expenditure Surveys and other key surveys and statistics, such Agricultural Census are conducted	<i>Indicator:            HIES, Population Census, Agricultural Census and other key surveys are conducted.</i>	NSO	2011-2015

FINAL



### National Strategic Priority 3: Good Governance and Public Sector Reform

The impact of improvements in Good Governance and Public Sector Reform are difficult to measure. Therefore, this Strategic Priority will be monitored using one set of outcome indicators, which is the World Bank Good Governance indicators, covering: Voice and Accountability; Political Stability; Government Effectiveness; Regulatory Quality; Rule of Law; Control of Corruption.

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<b>3.1: To provide policy stability</b>			
<u>Strategy 3.1.1:</u> Develop and adhere to a Medium Term Expenditure Framework to guide government expenditure and allocation of aid donor resources	<i>Indicator:</i> - <i>Number of sector MTEFs designed and approved.</i> Baseline: Education MTEF completed Target/Milestone: 3 sector MTEFs prepared and adhered to.	MFEM and line ministries	2012-2015
<u>Strategy 3.1.2:</u> Monitor and evaluate development progress in an Annual Development Report and other reports	<i>Indicator:</i> - <i>Number of M&amp;E reports (ADR, Six-Monthly Reports) tabled in COM.</i> Baseline: M&E policy in place, ADR prepared Target/Milestone: ADR and 6 monthly M&E reports prepared regularly.	PMO	2012-2015
<u>Strategy 3.1.3:</u> Formalize and implement a partnership agreement between Government and VANGO concerning service delivery	<i>Indicator:</i> - <i>MOU between GOV and VANGO reviewed and implemented.</i>	PMO, VANGO	2012-2015
<u>Strategy 3.1.4:</u> Continue to strengthen and expand Foreign Affairs and External Trade relations	<i>Indicators:</i> - <i>National Foreign Policy of Vanuatu finalised and approved;</i> - <i>Agreements with non-traditional donors (Traditional donors are Australia, NZ, EU, France, Japan, China);</i> - <i>Percentage of strategic locations with a representation of Vanuatu;</i> - <i>Legal framework for career based diplomatic services reviewed;</i> - <i>Number of career/professional based appointments made in accordance with the Foreign Service act.</i>	MOFA, PMO	2012-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<p><u>Strategy 3.1.5:</u> Promote political stability through constitutional changes, political parties legislation, and other changes to support stability</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Relevant Constitutional Review Commission recommendations approved by Parliament;</i></li> <li>- <i>Registration of political parties legislation designed and approved by Parliament;</i></li> <li>- <i>Government act amendments drafted and approved by Parliament;</i></li> <li>- <i>People's Representation act amendments drafted and approved by Parliament;</i></li> <li>- <i>Reallocation of Ministries' portfolios implemented.</i></li> </ul>	PMO, COM, MOIA	2012-2015
<p><b><u>PO 3.2:</u></b> <b>To provide stable institutions</b></p>			
<p><u>Strategy 3.2.1:</u> Continue to strengthen the legal sector, including strengthening the judiciary with adequate staff, with the support of external assistance</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Law and Justice sector framework reviewed and approved by COM;</i></li> <li>- <i>Backlog of court cases pending;</i></li> <li>- <i>New court house built;</i></li> <li>- <i>New correctional facility built.</i></li> </ul>	MJSW	2012-2015
<p><u>Strategy 3.2.2:</u> Strengthening law enforcement, border control and community policing</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Reported crime rate;</i></li> <li>- <i>Average response time of police in the rural areas.</i></li> </ul>	MOIA, MJSW	
<p><u>Strategy 3.2.3:</u> Achieve greater use of court-referred mediation and examine options for incorporating kastom settlement of land disputes</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Malvatumauri Act and Land Tribunal Act reviewed and approved by Parliament;</i></li> <li>- <i>Mama Graon program Indicators.</i></li> </ul>	MJSW, Malvatumauri, Customary Lands Tribunal	2012-2015
<p><u>Strategy 3.2.4:</u> Support the creation and strengthening of formal social welfare systems especially issues affecting the protection of women, children, old and disabled people, and strengthen linkages with traditional social protection.</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Mechanisms and operational procedures established for prevention, reporting and responding to cases of abuse, violence and exploitation in communities;</i></li> <li>- <i>Number of cases (male/female) reported and addressed in accordance with established operational procedures.</i></li> </ul>	MJSW, Police, NGOs, civil society organisations, communities	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<u>Strategy 3.2.5:</u> Political Leaders and bureaucrats are held accountable for their decisions through strengthening of the Auditor-General's and Ombudsman's offices, and the Public Accounts Committee	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Number of reports tabled by Auditor General to the Public Accounts Committee;</li> <li>- Amendments made to Ombudsman's Act in line with Ombudsman Review report;</li> <li>- Number of Leadership Code breaches prosecuted;</li> <li>- Leadership tribunal approved by Parliament and in operation;</li> <li>- Human Rights Commission established.</li> </ul>	AG, MFEM, PMO, Ombudsman, Parliament	2011-2015
<u>Strategy 3.2.6:</u> Strengthen the legal system.	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Number of qualified lawyers recruited by the Law reform commission;</li> <li>- Number of amendments passed by Parliament.</li> </ul>		
<b>PO 3.3:</b> <b>To develop a productive public sector</b>			
<u>Strategy 3.3.1:</u> Continue to implement public service wide reforms to improve accountability, discipline and performance	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Number of disciplinary cases;</li> <li>- Rate of staff performance appraisals per year.</li> <li>- Implementation of PSC performance Management System. Six monthly &amp; Annual Reports prepared and considered by PSC Board.</li> </ul>	PSC	2011-2015
<u>Strategy 3.3.2:</u> Develop and implement a population and human resource development policy	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Human Resource Development policy and plan for the public service.</li> </ul>	PMO PSC	2012-2015
<u>Strategy 3.3.3:</u> Strengthen provincial and municipality level governance through establishment of key public service positions at provincial/municipality level and urbanization policy development	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Percentage of PSC positions in Provinces and Municipalities filled;</li> <li>- Decentralisation Act amended to include area councils;</li> <li>- Urbanisation policy approved and implemented.</li> </ul>	MOIA	2012-2015
<u>Strategy 3.3.4:</u> Review the performance of state owned entities (SOEs) and institute reforms as	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Targeted SOEs reviewed and reformed;</li> </ul>	MFEM, PMO	2012-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
required	<ul style="list-style-type: none"> <li>- Government's financial exposure to SOEs reduced;</li> <li>- SOEs Act Passed by Parliament.</li> </ul>		
<b>PO 3.4:</b> <b>To promote gender equality and empower women</b>			
<u>Strategy 3.4.1:</u> Encourage more women in wage employment in the non-agricultural sector	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- Percentage of women in wage employment in the non-agricultural sector.</li> <li>-</li> </ul> <p><i>Baseline:</i> VNPF / NSO statistics <i>Target:</i> 50 % of women in non-agricultural sector</p>	DWA, PSC, Department of Labour	2012 - 2015
<u>Strategy 3.4.2:</u> Increase the number of women in decision-making roles in government	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Percentage of Women in positions of DGs, SGs, Clerks and Directors in the Public Service;</li> <li>- Percentage of women in Parliament, Provincial and Municipal Councils.</li> <li>-</li> </ul>	MJSW, DWA, PSC, Electoral Commission, Department of Labour	2012 - 2015
<u>Strategy 3.4.3:</u> Mainstream gender throughout all Government policy development and implementation	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- Number of gender programs in Government ministries.</li> <li>- Number of programs in Line Ministries</li> <li>- Gender responsive budget- GRB allocated</li> <li>- Inclusion of the GRB in national budget statement</li> </ul> <p><i>Baseline:</i> 3 programs in 2013.</p>	Department of Women's Affairs, PMO - DSSPAC	2015
<u>Strategy 3.4.4 Undertake Cost benefit analysis</u>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- Number of gender programs undergone cost benefit analysis</li> </ul>	MJCS, DWA	2015

**National Strategic Priority 4: Primary Sector Development, Environment, Climate Change, and Disaster Risk Management**

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<b>PO 4.1</b> <b>Increased production and productivity in the primary sector to sustainably increase incomes and livelihoods</b>	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Production of copra;</li> <li>- Production of cocoa;</li> <li>- Production of coffee;</li> <li>- Agricultural incomes (HIES every 5 years);</li> <li>- % share of Agriculture in GDP</li> </ul>	NSO	2011-2015
<u>Strategy 4.1.1:</u> Identify and protect prime agricultural land for agriculture	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Number of hectares zoned under "Agriculture Land";</li> <li>- Number of leases (and lease area) under agriculture</li> </ul>	MAQFF, MoL,	2011-2015
<u>Strategy 4.1.2</u> Improve and strengthen access to expert advice through strengthening agricultural extension services	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Number of extension officers appointed.</li> </ul>	MAQFF	2011-2015
<u>Strategy 4.1.3</u> Improve and strengthen access to high yield and pest and climate change resistant crops, vegetables and fruit varieties and seedlings	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Number of high yield &amp; pest &amp; climate change resistant crops, vegetables, fruits and seedlings introduced;</li> <li>- Number of hectares of high yield &amp; pest &amp; climate change resistant crops cultivated</li> </ul>	MAQFF	2011-2015
<u>Strategy 4.1.4</u> Improve and strengthen research and development in agriculture, livestock, fisheries and forestry	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Expenditure on research and development.</li> </ul>	MAQFF, MTIT	2011-2015
<u>Strategy 4.1.5</u> Improve and strengthen the Agriculture College / training school	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Number of certificates awarded.</li> </ul>	MAQFF, MOE	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<u>Strategy 4.1.6</u> Strengthen and increase access to TVET for farmers/communities in agriculture, livestock, fisheries and forests	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- <i>Number of farmers / fishermen attending TVET courses;</i></li> <li>- <i>Number of farmers / fishermen successfully completed TVET courses.</i></li> <li>-</li> </ul>	MAQFF, PSC, MOE, MYSST	2011-2015
<u>Strategy 4.1.7</u> Improve and strengthen access to agriculture/forestry/fisheries microfinance services & credit	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- <i>Number of microfinance clients in agriculture, livestock, fisheries and forests;</i></li> <li>- <i>Level of credit to agriculture, livestock, fisheries and forests.</i></li> </ul>	RBV, Micro finance providers (VANWODS, MNVBD, NBV, AGRICULTURE BANK)	2011-2015
<u>Strategy 4.1.8</u> Promote and encourage the cultivation of traditional crops and fruit trees for food security	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- <i>Quantity of traditional crops and fruits trees under cultivation;</i></li> <li>- <i>Growth in importation of rice and flour</i></li> </ul>	MAQFF, NSO	2011-2015
<b>PO 4.2</b> <b>Strengthening and increasing market access in agriculture, livestock, fisheries and forests</b>	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- <i>Export of copra;</i></li> <li>- <i>Export of coconut oil;</i></li> <li>- <i>Export of cocoa;</i></li> <li>- <i>Export of kava;</i></li> <li>- <i>Export of coffee;</i></li> <li>- <i>Export of beef;</i></li> <li>- <i>Export of timber;</i></li> <li>- <i>Export of fish;</i></li> <li>- <i>Export of spices;</i></li> <li>- <i>Number of new local markets established.</i></li> </ul>	MAQFF, NSO, MTIT,	2011-2015
<u>Strategy 4.2.1</u> Promote and encourage the establishment of producer cooperatives in agriculture, livestock, fisheries and forests	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- <i>Number of producer cooperative established in agriculture, livestock, fisheries and forests.</i></li> </ul>	MAQFF, MNVBD, MTIT	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<u>Strategy 4.2.2:</u> Replace the abolished the VCMB with effective market regulation and gazette the repeal of VCMB Act.	<i>Indicator:</i> - <i>New framework in place to replace VCMB by private sector organisations for marketing functions.</i>  <i>Baseline: VCMB Act repealed by Parliament</i> <i>Target/Milestone: New framework in place.</i>	MTIT, MAQFF	2011-2015
<u>Strategy 4.2.3</u> Promote and encourage the introduction of rural market centres/outlets	<i>Indicators:</i> - <i>Number and size of new rural market centres established;</i> - <i>Tonnage of fish / beef sold at rural market centres</i>  <i>Baseline:</i> <i>Target: 2 more each year</i>	MAQFF, MTIT	2011-2015
<b>PO 4.3</b> <b>Strengthen and increase the quality, safety &amp; competitiveness of agriculture, livestock, fisheries and forest products</b>		MAQFF, NSO	2011-2015
<u>Strategy 4.3.1</u> Strengthen and improve quarantine and bio-security services	<i>Indicator:</i> - <i>Number of quarantine certificates issued.</i>	MAQFF, MTIT	2011-2015
<u>Strategy 4.3.2</u> Increase training & awareness on post harvest handling, preservation and packaging of agriculture, livestock, fisheries and forests products to enhance quality, safety and competitiveness	<i>Indicators:</i> - <i>Number of training courses conducted;</i> - <i>Number of trainees on post-harvest handling, preservation and packaging.</i>	MAQFF, MTIT	2011-2015
<u>Strategy 4.3.3</u> Promote value added production of agriculture, fisheries, livestock and fisheries through strengthening supply and value chains and agri-business	<i>Indicators:</i> - <i>Number of valued added production/processing plants in operation;</i> - <i>Value of processed products sold.</i>	MAQFF, MTIT	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<p><b>PO 4.4</b>  <b>Promote and strengthen regulatory and institutional arrangements, policy development, coordination, implementation and monitoring in the primary sector</b></p>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- <i>Monitoring system in MAQFF and MTIT.</i></li> </ul>	MAQFF, MTIT	2011-2015
<p><u>Strategy 4.4.1</u>            Develop an overarching Primary sector strategy to guide policy development and implementation</p>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- <i>Primary Sector strategy developed and implementation commenced.</i></li> </ul> <p><i>Baseline: Strategy under development</i>  <i>Target: Strategy and implementation Programme funded and implementation commenced by 2012.</i></p>	MAQFF, MTIT, DSPPAC	2011-2015
<p><u>Strategy 4.4.2</u>            Develop a human resource development plan for the primary sector</p>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- <i>HRD plan for the primary sector developed and adopted.</i></li> </ul>	MAQFF, PSC, PMO	2011-2015
<b>Environment and Climate Change</b>			
<p><b>PO 4.5:</b>  <b>Ensure the protection and conservation of Vanuatu's natural resources and biodiversity, taking climate change issues inconsideration.</b></p>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- <i>Develop and implement environmental policies;</i></li> <li>- <i>Number of resource management plans developed.</i></li> </ul>	Department of Environmental Protection and Conservation (DEPC)	2011-2015
<p><u>Strategy 4.5.1</u>            Ensure the full implementation of the Environmental Management and Conservation Act 2002 through the development and enforcement of related regulations, and the establishment of the EIA Trust fund.</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Number of regulations developed and enforced;</i></li> <li>- <i>EIA Trust Fund Established;</i></li> <li>- <i>Number of EIAs conducted;</i></li> <li>- <i>Number of stop-working notices issued.</i></li> </ul>	DEPC	2011-2015
<p><u>Strategy 4.5.2</u>            Encourage the development of protected areas.</p>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- <i>Number and size of protected areas with a map, survey, management plan and management committee.</i></li> </ul>	DEPC, MLNR, MAQFF	2011-2015
<p><u>Strategy 4.5.3</u>            Establish the Biodiversity Advisory Council</p>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- <i>Biodiversity Advisory Council established.</i></li> </ul>	DEPC	2011-2015



Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<u>Strategy 4.5.4</u> Minimize coastal water and reef pollution associated with sewage, oil and industrial chemicals spills and contamination through strengthened monitoring and enforcement	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Coastal water quality (checked annually (Port-Vila &amp; Luganville));</li> <li>- Number of checks on existing treatment systems in Port-Vila and Luganville;</li> <li>- Public sewage system in Port-Vila and Luganville designed (Plan).</li> </ul>	DEPC, MLNR, MIPU, Municipalities	2011-2015
<u>Strategy 4.5.5</u> Finalize and implement the Vanuatu climate change policy including its integration in the PAA, sector plans and ministry corporate plans.	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Vanuatu climate change policy finalized;</li> <li>- Number of sector plans that take climate change issues into consideration</li> </ul> <i>Baseline: Vanuatu climate change policy still in draft (2011)</i>	NACCC, MIPU (Vanuatu Meteorology and Geohazard Department)	2011-2015
<u>Strategy 4.5.6</u> Review the Vanuatu Meteorological Act to reflect climate change issues and use of the GISM technology for geohazard.	<i>Indicators:</i> Vanuatu Meteorological Act reviewed to include the relevant changes <i>Baseline: Meteorological Act not reviewed</i> <i>Target: Done by 2013</i>	MIPU	2011-2015
<b>PO 4.6</b> <b>Prepare the people of Vanuatu to face disasters.</b>	<i>Indicator:</i> Allocation of financial and human resources for DRR&DM plans across all sectors of Government	NDMO, MOH, MOE, MAQFF, MOYDST, MLNR, MIPU, MOIA	2011-2015
<u>Strategy 4.6.1</u> Strengthen planning and decision-making processes at national and provincial level for DRR and DRM.	<i>Indicator:</i> Number of Ministerial / Sectoral / Provincial / Corporate Plans and annual budgets that explicitly reflect DRR and DM considerations.	NDMO, MOH, MOE, MAQFF, MOYDST, MLNR, MIPU, MOIA	2011-2015
<u>Strategy 4.6.2</u> Empower communities to design and implement their strategies for DRR and DRM.	<i>Indicator:</i> Number of communities with their disaster risk reduction and management plans.	NDMO, MOH, MOE, MAQFF, MOYDST, MLNR, MIPU, MOIA	2011-2015

**National Strategic Priority 5: Provision of Better Health Services, especially in rural areas**

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<p><b>PO 5.1:</b>  <b>Improve the health status of the population.</b></p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Under 5 Mortality rate;</li> <li>- Infant mortality rate;</li> <li>- Maternal mortality rate per 100,000 live births;</li> <li>- Life expectancy at birth;</li> <li>- Incidence of malaria per 1,000 population;</li> <li>- Incidence of leprosy per 1,000 population;</li> <li>- Incidence of STI per 1,000 population;</li> <li>- Incidence of dengue fever per 1,000 population;</li> <li>- Incidence of filariasis per 1,000 population;</li> <li>- Prevalence of diabetes per 1,000 population;</li> <li>- Prevalence of diagnosed high- blood pressure per 1,000 population;</li> <li>- Death rate from NCD-related causes.</li> </ul> <p><i>(Doctors to be trained to diagnose primary causes of death, and death certificates to be re-designed)</i></p>	<p>MOH  Relevant health partners and stakeholders</p>	<p>2011-2015</p>
<p><u>Strategy 5.1.1:</u>  Strengthen integrated interventions at all levels for reducing illness and deaths in mothers, new-borns, infants and children (maternal, neonatal , child and adolescent health strategy or <b>MNCAH</b>).</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Proportion of births by skilled birth attendants (Doctor, midwife, nurse and nurse practitioner);</li> <li>- Antenatal coverage;</li> <li>- Family planning user rate;</li> <li>- Adolescent fertility rate;</li> <li>- Immunization coverage (Pentavalent 3 &amp; Measles).</li> </ul>	<p>MOH  Relevant health partners and stakeholders</p>	<p>2011-2016</p>
<p><u>Strategy 5.1.2:</u>  Strengthen integrated interventions at all levels for reducing morbidity and mortality due to <b>communicable diseases</b>, including neglected and emerging communicable diseases (eg yaws, filariasis).</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Percentage of households with access to adequate water and sanitation (Census / surveys VNSO)</li> <li>- Monthly reports on surveillance of communicable diseases.</li> </ul>	<p>MOH  Relevant health partners and stakeholders, MIPU</p>	<p>2011-2016</p>

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<p><u>Strategy 5.1.3:</u> Strengthen integrated interventions for reducing morbidity and mortality due to (NCDs) <b>non-communicable diseases</b>, and its major risk factors at all levels of the health system.</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Prevalence of NCD risk factors (smoking, physical inactivity, unhealthy diet, alcohol) STEPS survey every 5 years (add to national indicators);</i></li> <li>- <i>“Food Secure Pacific Framework” indicators.</i></li> </ul>	<p>MOH Relevant health partners and stakeholders</p>	<p>2011-2016</p>
<p><b>PO 5.2:</b> <b>Ensure equitable access to health services at all levels of services.</b></p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Percentage of aid posts with health personnel.</i></li> </ul> <p><i>Target: 100%</i></p>	<p>MOH Relevant health partners and stakeholders</p>	<p>2011-2016</p>
<p><u>Strategy 5.2.1:</u> Provide individual, family, community and population oriented services using the <b>Primary Health Care</b> (PHC) approach in the context of the Healthy Islands (HI) Vision.</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Referral guidelines and mechanisms developed;</i></li> <li>- <i>Number of outpatients per 1000 population.</i></li> </ul>	<p>MOH Relevant health partners and stakeholders</p>	<p>2011-2015</p>
<p><u>Strategy 5.2.2</u> To improve community health-seeking behaviour leading to better utilization of health services.</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Knowledge Attitude and Practice survey (every 5 years);</i></li> <li>- <i>TB case detection rate;</i></li> <li>- <i>Contraceptive prevalence rate (surveys).</i></li> </ul> <p>Baseline for TB case detection rate: 50%. Target/Milestone: 70% for 2015</p>	<p>MOH Relevant health partners and stakeholders</p>	<p>2011-2016</p>
<p><b>PO 5.3:</b> <b>Improve the quality of services delivered at all levels</b></p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Number of doctors;</i></li> <li>- <i>Number of nurses</i></li> </ul>	<p>MOH Relevant health partners and stakeholders</p>	
<p><u>Strategy 5.3.1:</u> Develop and maintain adequate <b>Human Resources</b> for health to manage, coordinate and deliver quality health services.</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Health human resources development plan in place</i></li> <li>- <i>Role delineation tool in place and applied.</i></li> </ul>	<p>MOH Relevant health partners and stakeholders</p>	<p>2011-2015</p>

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<u>Strategy 5.3.2:</u> Upgrade and equip <b>Health Facilities</b> at all levels of health care from dispensaries, health centres, provincial hospitals and referral hospitals.	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- <i>Percentage of assets older than their planned life duration;</i></li> <li>- <i>Treatment guidelines updated;</i></li> <li>- <i>SOP for emergency response in place.</i></li> </ul>	MOH Relevant health partners and Stakeholders NDMO for disaster response	2011-2016
<u>Strategy 5.3.3:</u> Strengthen the capacity of the <b>Health Information System (HIS)</b> to support evidence based policy and programming, and optimize the use of ICT technology.	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- <i>Rate of return of monthly reports from health facilities;</i></li> <li>- <i>Percentage of indicators for which HIS can give a value.</i></li> </ul>	Ministry of Health Relevant health partners and stakeholders	2011-2016
<b>PO 5.4:</b> <b>Promote good management and the effective use of resources</b>	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- <i>Rate of occupancy of hospitals beds;</i></li> <li>- <i>Average length of stay of inpatients in hospitals;</i></li> <li>- <i>Total cost of outpatient and inpatient per year;</i></li> <li>- <i>Number of stock-outs at the Central Medical Stores.</i></li> </ul>	MOH Relevant health partners and stakeholders	2011-2016
<u>Strategy 5.4.1</u> Strengthen effective <b>governance, management and coordination</b> of health sector		MOH Relevant health partners and stakeholders	2011-2016
<u>Strategy 5.4.2</u> Ensure efficient mobilization, allocation, utilization and management of financial resources through development of improved financial, accounting, procurement and audit systems.		MOH Relevant health partners and stakeholders	2011-2016

## National Strategic Priority 6: Education and Human Resource Development

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<p><b>PO 6.1:</b>  <b>Increase equitable access to education and ensure gender and rural/urban balance</b></p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Net Primary Enrolment Rate (by province and urban/rural, and by sex);</i></li> <li>- <i>Net Secondary Enrolment Rate (by province and urban/rural, and by sex)</i></li> </ul> <p><i>Baseline Primary: 81.6% 2008</i>  <i>Target: 100% by 2015</i></p>	MOE	2011-2015
<p><u>Strategy 6.1.1:</u>            Increase access to education through phasing out of school fees and delivery of school grants to all primary schools (Years 1-6) and over time extending grants to Years 7-10</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Percentage of primary schools (government and government assisted) receiving full school grant on annual basis;</i></li> <li>- <i>Percentage of secondary school costs covered by government grants for Years 7-10;</i></li> <li>- <i>Independent review of school grant processes, effectiveness and impact completed.</i></li> </ul>	MOE MFEM	2011-2015
<p><u>Strategy 6.1.2:</u>            Deliver a school infrastructure development program that improves the stock of school facilities and equipment and mitigates the impact of natural disasters</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- <i>Percentage of primary schools meeting National infrastructure Standards (by province and urban/rural – Baseline 2010 = 37%);</i></li> <li>- <i>Total number of classrooms constructed (by province and urban/rural) related to additional number of students;</i></li> <li>- <i>Percentage of primary schools with access to clean, safe water (Baseline 2008 = 52%);</i></li> <li>- <i>Percentage of primary schools with standard sanitation</i></li> </ul> <p><i>Baseline : To be assessed after the current assessment being made by maintenance officers in the provinces.</i></p>	MOE MIPU	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<u>Strategy 6.1.3</u> Improve equal access to all levels of education for children with special needs	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Primary Net Enrolment Rate of children with disabilities.</li> </ul>	MOE	2011-2015
<u>Strategy 6.1.4</u> To ensure that there is equal access to education by both boys and girls at all levels of education	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Gender Parity Index in Primary (Baseline 2008 = 1.00);</li> <li>- Gender Parity Index in Secondary (Baseline 2008 = 1.05);</li> <li>- Gender Parity Index in Tertiary;</li> <li>- Gender Parity Index in TVET.</li> </ul>	MOE / MYS DT	2011-2015
<u>Strategy 6.1.5</u> To develop Early Childhood Education as an integral part of the Vanuatu education system	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Net ECE enrolment rate (Baseline 2008 = 39.5%);</li> <li>- Number of active ECE centres;</li> <li>- Percentage of qualified ECE teachers</li> </ul>	MOE	2011-2015
<b>PO 6.2:</b> <b>Raise the quality and relevance of education</b>	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Primary Completion Rate (Proportion of students starting Year 1 who reach Year 6 - Baseline 2007 = 75.8%);</li> <li>- Repetition Rate years 1 – 6;</li> <li>- Grade 1-3 students reading at appropriate grade level</li> </ul> Baseline: 10% (Anglophone) 8% (Francophone)- EGRA.	MOE	
<u>Strategy 6.2.1:</u> Develop and implement a curriculum standards framework for K-13 based on the national curriculum statement	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Curriculum standards framework for K-13 developed.</li> </ul> Target: Completed by 2014.	MOE	2011-2015
<u>Strategy 6.2.2:</u> Improve the relevance and quality of teacher training	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Percentage of primary school teachers trained in use of new curriculum (pre-service and in-service).</li> </ul> Target: 100% BY 2015	MOE	2011-2015
<u>Strategy 6.2.3:</u> Provide appropriate education assessment systems	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Review of examination processes completed by 2012;</li> <li>- National Policy on Assessment developed in line with curriculum reform completed by 2012.</li> </ul>	MOE	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<u>Strategy 6.2.4:</u> To provide qualified teachers for all schools	<i>Indicator:</i> - Percentage of certified primary teachers (by grade, province, urban/rural). <i>Baseline: 50.5% (2008)</i> <i>Target: 100% by 2015</i>	MOE	2011-2015
<b>PO 6.3:</b> <b>Improve and strengthen management of the education system</b>		MOE	
<u>Strategy 6.3.1</u> Develop and implement a program of human resource development and capacity building for staff in the MOE.	<i>Indicator:</i> - HR officer recruited and HRD plan developed/updated.  <i>Target: Completed 2012</i>	MOE	2011-2015
<u>Strategy 6.3.2</u> Develop an improved teacher management system and more efficient teacher management processes	<i>Indicator:</i> - Implementation of the school-based management program. <i>Target: By 2012</i>	MOE	2011-2015
<u>Strategy 6.3.3</u> Strengthen planning, management, coordination and monitoring of education sector performance that includes strengthened use of the Vanuatu EMIS and VERM Performance Assessment Framework.	<i>Indicator:</i> - M&E framework for MOE developed, based on VEMIS, PAF and examinations.  <i>Target: M&amp;E framework in place by 2012</i>	MOE	2011-2015
<u>Strategy 6.3.4</u> Improve fiscal and financial management within the education sector and ensure there is effective and efficient resource allocation in the sector.	<i>Indicators:</i> - Number of audit reports for education sector (from MOE, MFEM or Auditor General); - Education sector MTEF designed and approved. <i>Target: By 2012</i>	MOE MFEM	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target (Milestone)	Implementing Agency(ies)	Timeframe
<p><b>PO 6.4:</b>  <b>Nurture educational and sustainable livelihood opportunities for youth</b>  <b>(YOUTH HEALTH ISSUES ARE INCLUDED IN THE ADOLESCENT REPRODUCTIVE HEALTH POLICIES SEE. PRIORITY 5. HEALTH)</b></p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Number of registered providers of accredited courses for TVET (Baseline = 50 registered providers, Target = 100 by 2015);</li> <li>- Number of certificates awarded to TVET trainees;</li> <li>- Number of TVET training courses conducted;</li> <li>- The National TVET Policy is designed and implemented.</li> </ul> <p><i>Target: Policy completed by 2012.</i>  <i>Implementation 2012 - 2015</i></p>	<p>MOE  MOYDST</p>	
<p><u>Strategy 6.4.1:</u>  Expand secondary vocational and formal vocational education and training to meet national and international standards.</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Number of students in technical schools (VIT, VAC, VMC, POLICE COLLEGE, VNS, VITE, CNS, APTC, HTLTC, etc);</li> <li>- Number of trained teachers for TVET-in-school classes;</li> <li>- Number of secondary schools that offer TVET-in-school programs</li> </ul>	<p>MOE</p>	<p>2011-2015</p>
<p><u>Strategy 6.4.2:</u>  Facilitate access of youth to employment opportunities and participation in the productive sector</p>	<p><i>Indicators:</i></p> <ul style="list-style-type: none"> <li>- Percentage of young people in formal employment by type / level of education);</li> <li>- Regular survey of youth employment is organised with VNSO (Target: At least one before end 2013);</li> <li>- National Action Plan on youth employment completed by 2012, implemented 2013-2015.</li> </ul>	<p>MOYDST  VNPf  VNSO</p>	<p>2011-2019</p>
<p><u>Strategy 6.4.3:</u>  To support and strengthen holistic development of youth and to conduct and ensure quality sports for all</p>	<p><i>Indicator:</i></p> <ul style="list-style-type: none"> <li>- National Sports Strategic Plan approved and implemented.</li> </ul> <p><i>Target: Approved by 2013.</i></p>	<p>MOYDST</p>	<p>2011-2015</p>



## National Strategic Priority 7: Economic Infrastructure and Support Services

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target/Milestone	Implementing Agency(ies)	Timeframe
<b>PO 7.1:</b> <b>Ensure the provision of competitively priced, quality infrastructure, utilities and services, either through public enterprises (PEs) or through private sector partnerships (PSPs) and competition.</b>	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- kilometres of new roads;</li> <li>- kilometres of maintained roads;</li> <li>- number of new and rehabilitated wharves;</li> <li>- number of maintained wharves;</li> <li>- number of new airports constructed;</li> <li>- number of upgraded and maintained airports.</li> <li>- Proportion of works that have been provided through PEs or PSPs.</li> </ul>	MIPU, AVL	2011-2015
<u>Strategy 7.1.1:</u> Ensure adequate maintenance and upgrading of existing domestic airports and airstrips. (Air Transport)	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Percentage of total number of airstrips serviceable at standards.</li> </ul>	MIPU AVL	2011-2015
<u>Strategy 7.1.2:</u> Properly rehabilitate and maintain the road network (Land transport)	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Percentage of the road network that have been maintained.</li> </ul>	MIPU Public Works Department	2011-2015
<u>Strategy 7.1.3:</u> Improve road administration by amending the road and land transport (Land Transport)	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Road and land transport legislation amended;</li> <li>- Land Transport Authority established</li> </ul> <p><i>Target: Land Transport Authority established by 2013</i></p>	MIPU	2011-2012
<u>Strategy 7.1.4:</u> Review the Infrastructure Master Plan, priorities projects and only construct new roads when economic benefits have been demonstrated. (Land Transport)	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Vanuatu Infrastructure Master Plan (VIMP) reviewed by 2012;</li> <li>- Percentage of total VIMP roads constructed and maintained</li> </ul>	MIPU	2011-2015
<u>Strategy 7.1.5:</u> Maintain and upgrade existing marine infrastructure including storage facilities. (Marine Transport)	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Percentage of wharves maintained;</li> <li>- Percentage of storage facilities maintained.</li> </ul>	MIPU Department of Ports and Harbour	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target/Milestone	Implementing Agency(ies)	Timeframe
<u>Strategy 7.1.6:</u> Improve and maintain maritime safety standards through regulatory measures and seafarers training. (Marine Transport)	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Number of seafarers trained and certified per annum;</li> <li>- Number of ship inspections;</li> <li>- Number of vessels detained per year.</li> </ul>	MIPU Office of Maritime Affairs	2011-2015
<u>Strategy 7.1.7:</u> Maintaining and upgrading the basic meteorological and geo-hazard infrastructure and operations. (Meteorology)	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- Percentage of forecasting and warning issued by the VMS which are timely and accurate;</li> <li>- %age of seismic and volcanic stations established and maintained.</li> </ul>	MIPU Vanuatu Meteorological Services	2011-2015
<u>Strategy 7.1.9:</u> Extend the coverage of rural electrification by the most cost efficient means. (Energy)	<i>Indicator: Proportion of rural population with access to electricity</i>	MLNR, URA	2011-2015
<u>Strategy 7.1.10:</u> Promote, explore expand and invest on the use of potential renewable energy, especially where these can be used effectively in remote locations. (Energy)	<i>Indicator: Proportion of rural population with access to electricity generated from renewable and non-renewable energy resources.</i>	MLNR URA	2011-2015
<u>Strategy 7.1.11:</u> Extend communications services to remote areas by using innovative technology options. (ICT)	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Telephones lines per 100 population (TRR);</li> <li>- Cellular subscribers per 100 population (TRR);</li> <li>- Internet users per 100 population (TRR);</li> <li>- Teledensity (TRR);</li> <li>- Percentage coverage of mobile cellular network (localities, land area, population);</li> <li>- availability of value-added services (such as mobile banking.</li> </ul>	MIPU TRR	2011-2015
<u>Strategy 7.1.12:</u> Extend the coverage of improved water supplies in rural areas. (Water and Sanitation)	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- Proportion of rural population with access to clean water supplies;</li> <li>- Proportion of population using an improved sanitation facility (total, rural and national);</li> <li>- Number of RWS schemes implemented per year.</li> </ul>	MLNR Department of Rural Water Supplies	2011-2015

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target/Milestone	Implementing Agency(ies)	Timeframe
<u>Strategy 7.1.13:</u> Provide training in maintenance of village water supplies in conjunction with Provincial Governments. <i>(Water and Sanitation)</i>	<i>Indicator:</i> - Number of persons trained in maintenance of village water supplies.	MLNR	2011-2015
<u>Strategy 7.1.14:</u> Improve solid waste and sanitation management in Port Vila, and Luganville	<i>Indicator:</i> - Solid waste disposal and sanitation planned infrastructure planned and built	MIPU, MLNR, Municipalities	2011-2015
<b>PO 7.2:</b> <b>Reduce the price of utility services</b>	<i>Indicators:</i> - Average electricity tariff; - Average water tariff; - Price of a 3-minute fixed telephone local call (Peak and off-peak rate); - Mobile cellular-price of a 3 minute local call (peak and off-peak); - Dial-up internet-Price of per minute (peak and off-peak) connection; - Internet Access Tariff (20 hours per month)	MIPU URA TRR	2011-2015
<u>Strategy 7.2.1:</u> Encourage the development of competitive private sector involvement in the provision of utilities and services.	<i>Indicator:</i> - Number of public service concessions run by private companies.	MIPU MLNR URA TRR	2011-2015
<b>PO 7.3:</b> <b>Optimize subsidies for shipping services to remote areas (to be specified)</b>	<i>Indicator:</i> - Level of subsidies per annum divided by number of voyages.	MIPU MFEM	2011-2012
<u>Strategy 7.3.1</u> Improve operational efficiency in the international ports. <i>(Marine Transport)</i>	<i>Indicators:</i> - Handling charges at international ports per tonne, per container; - Number of days of delay due to stevedore operations	MIPU MFEM STEVEDORE Companies	2011-2012
<b>PO 7.4:</b> <b>Ensure economic infrastructure and support services are available to other sectors</b>	<i>Indicator:</i> - Implementation of the Vanuatu Infrastructure Master Plan  <i>Target: Start to Implement VIMP by 2012</i>	MIPU and all other relevant ministries	2012

Policy Objectives (Outcomes) and Strategies (Outputs)	Indicators, Baseline, Target/Milestone	Implementing Agency(ies)	Timeframe
<u>Strategy 7.4.1:</u> Provide safe and secure domestic and international air transport operations. <i>(Air Transport)</i>	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- <i>Number of air traffic accidents and incidents per year per number of flights.</i></li> </ul>	MIPU (CAAV) AVL Air Vanuatu Limited	2011-2015
<u>Strategy 7.4.2:</u> Provide efficient and cost effective services to passengers and cargo traffic internationally. <i>(Air Transport)</i>	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- <i>Landing fees per transported passenger;</i></li> <li>- <i>Airport operational costs per tonne of cargo</i></li> </ul>	MIPU (CAAV) AVL Air Vanuatu Limited	2011-2015
<u>Strategy 7.4.3:</u> Provide safe and reliable airport services to cater for growth in domestic and international passenger and cargo services. <i>(Air Transport)</i>	<i>Indicators:</i> <ul style="list-style-type: none"> <li>- <i>Number of domestic flights cancelled divided by total number of scheduled flights;</i></li> <li>- <i>Total number of domestic and international passenger movements per year;</i></li> <li>- <i>Total air freight movement per year (tonnes).</i></li> </ul>	MIPU (CAAV) AVL Air Vanuatu Limited	2011-2015
<u>Strategy 7.4.4:</u> Promote the use of bio-fuels and other alternative energy sources where economically feasible. <i>(Land Transport)</i>	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- <i>Total volume of biofuel produced and used for transport and electricity generation.</i></li> </ul>	MIPU URA MLNR	2011-2015
<u>Strategy 7.4.5:</u> Expansion/construction of new international airport	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- <i>Feasibility study for expansion/construction of airport completed.</i></li> </ul> <i>Target: By 2015.</i>	MIPU Airports Vanuatu Limited	2011-2015
<u>Strategy 7.4.6:</u> Review the Air services / upper air space agreement	<i>Indicator:</i> <ul style="list-style-type: none"> <li>- <i>New air services agreements reviewed and signed.</i></li> </ul> <i>Target: By 2015.</i>	MIPU CAAV	2011-2015