

DRAFT DTIS ACTION MATRIX⁸

Action no.	Action recommended	Requirements				Agencies involved	Likely time frame
		Implement existing policy	Change policy/legislation/Reform Institutions	Technical assistance/investments			
SECTION I. CROSS-CUTTING ISSUES							
1. Macroeconomic framework							
1.1	Conduct further research into the localised reasons for the decline in barter trade with a view to increasing the degree of engagement of the informal and subsistence sectors with the formal. Set up private business support activities in the rural areas.	X		X	MAQFF, MTIT, CCI	Medium term	
1.2	Broaden the government revenue base so as to reduce reliance on VAT and import duties and to make the tax regime more equitable.		X	X	MFEM	Medium to Long term	
1.3	Support ongoing attempts to strengthen the revenue base by providing audit training to Customs and other key revenue collection agencies such as Lands. Support the provision of technical assistance for legislative drafting, training and strengthening of tax administration.	X		X	MFEM, MOLNR and others.	Medium term	
1.4	Remove the discretionary ability to grant exemptions as part of overall tariff reform. Revise subsidies and tariffs so that they promote agriculture, fisheries and tourism. Provide support and training to the Revenue section of MFEM.		X	X	MFEM, MTIT, MAQFF	Medium term	

⁸ Immediate priorities highlighted

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		Implement existing policy	Change policy/legislation/Reform Institutions	Technical assistance/investments		
1.5	Review the size and functionality of the public sector with a view to reducing the ratio of wages to expenditure.		X	X	MFEM, other departments and agencies	Medium term
1.6	Support the provision of training to key agencies, including DESP, to improve their role in monitoring and evaluating government expenditure. Conduct a review of budget processes and provide training to sector analysts	X	X	X	MFEM	Short to medium term
1.7	Review major government contracts with a value of more than VT20 million, especially for stevedoring (see 5.3) and the regulation of the gaming industry.	X	X	X	MFEM	Short term
1.8	Strengthen the Government Business Enterprise Unit in terms of its fiduciary responsibilities, development of financial database for storing financial data in a format consistent with the FMIS.	X	X	X	MFEM	Short term
1.9	Strengthen co-ordination between fiscal and monetary policy.			X	RBV	Short term
1.10	Undertake a study on the reasons behind the relatively large interest rate spread in order to make practical recommendations on how it can be reduced.			X	MFEM, RBV	Short to medium term
1.11	Strengthen the ability of the Government to co-ordinate and manage ODA. Support the Aid Management Unit to detail Vanuatu's donor harmonisation road map.	X		X	MOFA, MFEM	Medium term
1.12	Support continuing attempts to improve the quality and timeliness of data via long-term institutional strengthening of the National Statistics Office..		X	X	MFEM	Long term

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2. Business environment and investment policy						
2.1	Develop an e-business strategy and make it central to business development efforts. Ensure that technological upgrading remains central to efforts to develop the business environment. Improve presence of VIPA on the Internet.		X	X	CCI, VIPA, DTII	Short to medium term
2.2	Support existing efforts to address the performance of the Land Titles Office and address capacity constraints. The office is not adequately resourced in terms of personnel and equipment to perform registration of land titles.	X	X	X	MOLNR	Short to medium term
2.3	Ensure that court orders can be better enforced. Support efforts to tackle the shortage in the number of sheriffs.	X	X	X	SLO	Short to medium term
2.4	Reassess the two ni-Vanuatu micro-finance schemes under the Ministry of Ni-Vanuatu Business with a view at least to improving loan recovery rates. Support attempts by the Department of Co-operatives to increase the availability of credit in the rural areas.	X	X	X	MTII, DCBD	Short to Medium term
2.5	Develop a one-stop-shop for incoming foreign investors by 31 December 2008.	X		X	VIPA	
3. Institutional framework for mainstreaming trade						

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		Implement existing policy	Change policy/legislation/Reform Institutions	Technical assistance/investments		
3.1	Establish a unit or person within the IF steering committee with responsibility for drawing up trade-related ToRs, collating consultancy reports and depositing them on the intranet and either in a separate library or in the national library.		X		DTII, other institutions.	Short to medium term
3.2	Maintain financial support for the Trade and Development Unit established to facilitate the IF process.					
3.3	Support an economic think tank and/or policy forum, bringing together Vanuatu's foremost economists.		X	X	DTII, MTIT, RBV, MFEM	Short term
3.4	Make the National Trade Facilitation Committee the national implementation unit of the enhanced Integrated Framework, driven by the External Trade division of the DTII.		X	X	NTFC, DTII	Short term
3.5	Incorporate the DTIS with the PAA.					
4. Trade policy						
4.1	Move the External Trade division of the Department of Trade to the Ministry of Foreign Affairs. Consider amending the Foreign Affairs Act to require involvement of the External Trade division over tariff changes. In the long term, adopt a Trade Act incorporating consumer rights, intellectual property and trade-related tax legislation.		X		DTII, MOFA, MFEM	Short to medium term
4.2	Adopt a national trade policy based on the DTIS, ensuring that science, technology and innovation remain central.		X	X	DTII, NTFC	Medium term

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4.3	Update current customs-related legislation, in particular the outdated Import of Goods Control Act, to address gaps and bring it into line with modern trade practices.		X	X	MTIT, DTII, DCIR	Medium term
4.4	Re-start the process of accession to the World Trade Organisation.	X			DTII	Short term
4.5	Continue to engage with the Economic Partnership Agreement (EPA) process, making fisheries development a priority. Establish regular consultations in Brussels using the newly-established diplomatic presence.	X			DTII, MOFA, MOF	Short to medium term
4.6	Promote increased trade with New Caledonia via an FTA, and in the long-term, regional trade integration.		X		DTII, MOFA	Medium to long term
4.7	Continue to monitor the potential costs and benefits of PACER membership, ensuring that the maintenance of policy space remains paramount.	X			DTII, MOFA	Short term
4.8	Conduct further study on the impact of possible graduation from LDC status, ensuring continued preferential EU market access for copra, beef, coffee, cocoa and other potential exports.		X	X	DTII	Short to medium term
5. Trade Facilitation						
5.1	Deliver a project or several projects aimed at creating systems for the development, promotion, monitoring and certification of a range of agricultural produce standards.	X		X	MAQFF	Medium term
5.2	Ensure that the trade policy developed under 4.2 makes SPS architecture central.	X	X		MAQFF, DTII	Short term

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5.3	Review existing stevedoring contracts. Consider making GATS-type commitments in stevedoring and port services where possible in the context of trade negotiations. Tackle congestion and space limitations at the wharf in Port Vila.		X		DCIR, MFEM, DTII	Medium term
5.4	Assist the Vanuatu Quarantine and Livestock Department (VQLD) to improve its capacity to monitor import risks at the border, including investment in facilities and funding for emergency response plans. Improve capacity to monitor and control pests and animal diseases. Assist efforts by VQIS to ensure export quality.	X		X	VQLD	Short to medium term
5.5	Update current customs-related legislation, in particular the outdated Import of Goods Control Act.		X		MFEM, DTII, MTIT	Short to Medium term
5.6	Co-ordinate trade facilitation efforts under the NTFC (see 6.1 and 3.3)	X			NTFC	Short to medium term
5.7	Initiate work on traditional trade facilitation areas such as standards and conformance issues, regulation of commerce and competition and consumer protection.	X	X	X	NTFC	Short term
6. Trade, poverty and human development						

Action no.	Action recommended	Requirements			Agencies involved	Likely time frame
		Implement existing policy	Change policy/legislation/Reform Institutions	Technical assistance/investments		
6.1	Allocate external and domestic resources to enable the National Trade Facilitation Committee to promote the mainstreaming of trade.		X	X	NTFC, DTII, MOFA, MFEM, CCI, MAQFF, VANGO, VIPA	Short to medium term
6.2	Increase household land productivity by: (1) coordinating all interventions aimed at increasing productivity; (2) building links to general trade policy.		X	X	CCI, MAQFF, MTIT	Medium to long term
6.3	Improve access for ni-Vanuatu to financial services in the outer islands.	X	X	X	NBV, MFEM, RBV	Medium to long term
6.4	Initiate a study into labour outmigration, paying particular attention to areas in which Vanuatu stands to lose skills. Ensure that the Department of Labour has effective powers to regulate seasonal worker employment agencies. In the medium term focus on mutual recognition of qualifications to facilitate greater levels of semi-skilled labour mobility.			X	MOL	Short term
6.5	Conduct further research into the subsistence economy, including fieldwork on existing entrepreneurship among women.			X	DTII, DWA	Short term
6.6	Look at measures to promote indigenous entrepreneurship in all areas of the economy, but particularly tourism. Any training programs in this area should take account of earlier experiences.	X	X	X	CCI, DCNB	Medium Term
6.7	Undertake a poverty and human development impact assessment before ratifying any new trade agreement.		X		DTII, MFEM, MOFA	Medium to long term
<u>SECTION II. SECTORAL ISSUES</u>						
7. Tourism						

Action no.	Action recommended	Requirements			Agencies involved	Likely time frame
		Implement existing policy	Change policy/legislation/Reform Institutions	Technical assistance/investments		
7.1	Create a clear yield and data-driven vision for Vanuatu tourism including running a summit to develop a Tourism Taskforce.		X	X	NTDO, VTO	Short to medium term
7.2	Look at new ways to develop tourism SMEs.		X	X	NTDO, VTO	Short term
7.3	Create and develop linkages with the agriculture and fisheries sectors.		X	X	NTDO, VTO	Medium to long term
7.4	Improve community awareness and participation.	X		X	NTDO, VTO	Medium to long term
7.5	Continue to improve tourism human resources, including training tourism managers in the outer islands.	X		X	NTDO, VTO	Long term
7.6	Improve internal transportation for tourism, including reviewing existing arrangements and developing a strategy to ensure that the MCA caters to tourism.	X		X	NTDO, VTO	Short to medium term
7.7	Improve research and decision support for tourism		X	X	NTDO, VTO	Medium term
7.8	Develop a marketing and information technology program for tourism.		X	X	NTDO, VTO	Medium term
7.9	Assess and monitor the impact of global climate change and sustainability	X	X	X	NTDO, VTO	Long term
8. Agriculture, livestock and forestry						
8.1	Support the ongoing feasibility study on reform of the VCMB including the possibility of its outright abolition.		X	X	MAQFF, MTIT, DTII, VCMB	Short term

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8.2	Strengthen smallholder cattle production, purchase and trade.		X	X	MTIT, MAQFF	Medium term
8.3	Launch an organic beef market research study.		X	X	MAQFF	Short term
8.4	Establish fair trade certification.		X	X	MAQFF, DTII	Medium term
8.5	Initiate a cocoa quality, grades and standards program		X	X	MAQFF	Medium term
8.6	Establish a fruit and vegetable export program and consider setting up intermediary organisations to on-sell products to the tourism industry.		X	X	CCI, MAQFF	Medium term
8.7	Conduct a market research study on high value products and consider the possibility of public-private partnerships in this area.		X	X	MAQFF	Short term
8.8	Achieve organic certification.		X	X	MAQFF	Medium to long term
8.9	Establish a proactive trade and market information system, including the wider dissemination of trade information in the provinces.		X	X	MAQFF, DTII	Short to medium term
8.10	Support the establishment of a carbon credits export program.		X	X		
8.11	Continue to recognise the importance of forestry for the economy.					
9. Fisheries						

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		Implement existing policy	Change policy/legislation/Reform Institutions	Technical assistance/investments		
9.1	Formulate comprehensive fisheries sectors policies including clear guidelines on how to engage the provinces and private sector in the development and management of fisheries.		X	X	DOF	Short to medium term
9.2	Create resource development and management plans for each fisheries sub-sector.		X	X	DOF	Short term
9.3	Support the rational development of an onshore tuna facility/landing base. Make an environmental impact assessment a condition of the establishment of onshore facilities.	X	X	X	DOF	Medium to long term
9.4	Strengthen the management of marine resources by developing and refining the collection, analysis and reporting of fisheries data for offshore tuna, deepwater demersal fishery, nearshore fisheries, aquaculture as well as market outlets.	X	X	X	DOF	Short to medium term
9.5	Restructure the department, including the recruitment of additional qualified staff.		X	X	DOF	Medium term
9.6	Build on the success the DoF has had in supporting and strengthening traditional management of nearshore resources. This involves building and mobilizing community capacity to manage resources under their tenure including through cooperative management strategies.	X		X	DOF	Medium term
9.7	Train Extension Officers and provincial authorities in the new Fisheries Act			X	DOF	Short to medium term