

# VANUATU NATIONAL GREEN EXPORT REVIEW

Department of Industry and Commerce

27<sup>th</sup> August 2014

Warwick Le Lagoon Resort

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# FOCUS – COPRA / COCONUT SECTOR

- Regulatory issues
- Challenges



# WHO ARE WE?

- The department of Industry and Commerce was establish back in year 2011
- Development of National Industrial Policy (NIP)in year 2011

**Council of Minister (CoM) *DECISION 29/2012:*  
*Endorse and approved VANUATU NATIONAL  
INDUSTRIAL POLICY***

- Development of Industrial Development Act No 19 of 2014



# NATIONAL INDUSTRIAL POLICY (NIP)

## Four (4) Main Pillars

- 1. Improve economic diversification and domestic value added through enhancing the productivity, competitiveness and the capacity of manufacturing sector to move up the value chain (PAA 2.3; 4.5);*
- 2. Enhance Linkages and spillovers among economic sectors (PAA 2.3; 4.1; 4.3);*
- 3. Create an enabling environment for the private sector as the main engine for economic growth and enhance its productivity, capacity utilization and trade capacity (PAA 1,1.4);*
- 4. Contribute to the improvement of the merchandise trade balance and balance of payments through enhancing Vanuatu's exports, based on the country's comparative advantage (PAA 1.1.1, 1.5; 2; 4.3).*



# INDUSTRIAL DEVELOPMENT ACT NO 19 OF 2014

## Line between Agriculture Sector and Industry & Commerce

**Primary Product** -means any product of the farm, forest or fishery, or any mineral, in its natural form or which has undergone such basic preparation as is customarily required, including washing, drying and packaging, to prepare it for sale;

**Value –Added** -means increasing the value of manufactured output either by the expansion of the utilisation of manufacturing capacity or by the additional processing of products, including primary products.



# PART 3: POWER OF THE DEPARTMENT

- Industrial Permit
- Suspension of an industrial Permit
- Cancellation of an Industrial Permit
- Inspection of Industries



# PART 4: INTERACTION WITH OTHER GOVERNMENT BODIES AND PRIVATE SECTOR

- Consultation with other Government bodies and the private sector – *For instance, Depart of Agriculture and private sectors ( etc...) regarding coconut industries*
- Coordination of National Industrial Policy  
(*Create Regulation for better continuous coordination of NIP and its related programmes*)



# PART 5: FINANCIAL PROVISIONS

- The Industrial Development Fund
- Establishment and administration of selected export levies

*12 (1) The Minister may prescribe, on the recommendation of the Director, export levies up to 40% on primary products, for a period not exceeding 5 years.*

*(2) In making a recommendation under subsection (1), the Director is to consider market studies to be undertaken by the Department or any other Government body or the private sector, to assess the capability of the domestic industry to add value to specific primary products by means of manufacturing processes together with indications of the under-supply of these products to the domestic industry.*





# CHALLENGES

- To undertake a market studies to assess the capability of the domestic industry to add value to specific primary product .
- Are we able to increase the quantity of copra within the next 5 –10 years
- Price competition



# MALEKULA



# MALEKULA



# PART 6: INDUSTRIAL DEVELOPMENT PROGRAMMES

- Support for investment in fixed asset
- Business advisory support to an industrial undertaking or an internationally traded services undertaking; and
- the provision of targeted advisory support for the commencement of initial export activities or the expansion of existing export activities of an industrial undertaking or an internationally traded services undertaking; and
- support for innovation in respect of manufactured products and energy efficiency across the industrial sector.



**THANKIO TUMAS**

