

**KEY UPDATES ON STIMULUS AND RECOVERY**

	Status	Issues	Next Steps
<b>Stimulus Update</b>			
Demolitions	<p>Vt312 million available in total, of which Vt250 has been allocated for the VNPF to use for demolitions. There is a committee under Ministry of Internal Affairs for deciding on others.</p> <p><b>Latest:</b> Letter signed by DG on legal advice on mechanism to provide funds to VNPF.</p>	NA	Vt62 million to be prioritized from the list of Ministry of Internal Affairs
Wage Subsidy	<p>Businesses eligible for the Wage Subsidy Scheme must be located in the declared red zone (CBD, main wharf, Wong Garage) before the 17 December 2024 earthquake, hold a valid business license issued before 31 December 2024, be registered with VNPF with contributions made before the earthquake, and be VAT-registered with returns submitted in 2024. The subsidy reimburses wages already paid to staff but cannot be combined with the SBG scheme. Financial institutions and public transport providers are excluded, and only employees based in the red zone are eligible.</p> <p><b>Latest:</b> Applications announced as open. (Over 15 applications processed)</p>	WSS applicants have been held up due to lack of documents	<p>Workers to fill out forms and submit to DOFT</p> <p>The first batch of payments for Wage subsidy should be made next week after due diligence process</p>
Micro Business Grants	<p>To qualify for the Small Business Grant, businesses must have been located in the red zone (CBD, main wharf, Wong Garage) before the 17 December 2024 earthquake and hold a valid license or permit issued before 31 December 2024 by DCIR, PVCC, DOI, Shefa Province, or DOT. Eligible businesses must have declared a turnover of less than VT 4 million in 2023 and 2024, or hold a provincial license without declared</p>	NA	In consultations with registering authorities an additional 100 million should be allocated for the SBG roll outs.

	<p>turnover. Business operations must have resumed between 1 January and 1 March 2024. Applicants must submit a completed VCCI form with contact and bank details, and a signed declaration. Businesses cannot receive both the Small Business Grant and the Wage Subsidy.</p> <p><b>Latest:</b> Applications announced as open. Payments being made by via Kwik Pay (applicants will need ID), and some payments have been made already with others in process. First set of payments for Vt5.7 million made to SBGs (Over 200 applications being processed)</p>		
Loan Guarantees	<p>Guarantee instruments prepared for Vanuatu Rural Bank and BRED bank, with generic guarantee instruments prepared. Discussions held with banks, and instruments to go to DPM for signing. Draft criteria developed with each bank.</p> <p><b>Latest:</b> Vanuatu Rural Bank has signed. BRED had queries on the agreement and met with MFEM to discuss this week. VRDB will be opening applications for their special loan facility any time soon.</p>	Awaiting decisions by banks	Guarantee instrument with BRED for signing Rural Bank to open facility. Awaiting decisions by BSP and NBV.
VTO Grant	Vt100 million will be released as a grant to the VTO through MFEM.	Need clarifications on spending areas from VTO	VTO coming back with clarifications on where it will be spent
<b>Recovery GIPs</b>			
All Recovery GIPs	<p>Funds provisioned in the budget, and master list of projects prepared. NRC approved list of projects and ceilings, within resources. All departments (for the 15 projects) have been told by MFEM to start procurement. RFT released for the Cruise Barge and Jetty Platform.</p>	Need to move ahead on agency procurement	RFTs to be released for all projects and procurement completed

	Total new planned value is Vt 831 million		
<b>RFAs</b>			
All RFAs	15 out of 22 completed, with ones that are not largely due to the need to use regular recurrent budgets rather than the emergency funds through RFA. Total amount paid Vt44.6 million (out of Vt77 million planned)	-	-

## MFEM Performance Tracking: 100-day plan and associated key reforms

27<sup>th</sup> May 2025

### 100 Day Plan Summary Performance

100 day plan item	Status	Key Updates
Review the Price Control Act		<i>Complete – drafted proposed changes approved by COM, and consultations underway</i>
Activate Cash Transfer System		<i>Complete – and was utilised for stimulus payments</i>
Stimulus Package		<i>See stimulus update table for more details</i>
New Sources of Revenue		<i>Ongoing, nearly completed – revenue steering committee to meet this week, with selection of most promising options</i>

**Note:** The education audit work was moved over to the National Audit Office in line with their legislated function, however MFEM is progressing work on a Forensic Accounting review, and Public Expenditure Reviews

### Other Key Reform Areas

	Details	Key Updates
VSMS	Vanuatu Sales Monitoring System	<i>Consultation phase ongoing, with a COM paper approved. Implementation planned for mid of this year (sole sourced, with contract already signed).</i>

<b>RMS</b>	Revenue Management System	Work is underway, and a costing has been developed by the team. They are working to the plan to go live Jan 1 <sup>st</sup> 2026.
<b>FMIS</b>	Financial Management Information System	The urgency of replacement on the timeline for 2027 has been communicated to support. An indicative budget has been developed, and the steering committee is expected to be held this week. An EOI has been drafted for release to market.
<b>NPS</b>	National Payment System	The requirements for a link to the NPS is being built into the specifications for the new IFMIS.
<b>Audit</b>	Forensic Accounting Review	It is being conducted currently.
<b>FS</b>	Financial Statement 2024	Financial statement for 2024 being prepared for on-time submission at the end of June
<b>Reporting</b>	Other key reporting	New Factsheet launched and posted on the MFEM website, tracking economic and fiscal data in a clear infographic
<b>FSB</b>	Financial Service Bureaus	Funding sourced from Australia and New Zealand to support the expansion of facilities in FSBs