



Overall performance

Vanuatu has a high level of infrastructure activity, particularly with private investment for the size of its economy. Despite strong recent activity in the market, there is a need to reform its procurement processes through publishing guidelines for infrastructure procurement and improving its tender processes. It also lacks a long-term infrastructure plan, which could help set the strategic vision and actions required for the nation's infrastructure development. Due to the small size of its economy, its funding capacity remains limited.

Drivers	Score(/100)	Score change (2017-20)	Emerging	Aspiring	Contender	Top performer	Global leader
Governance	56	↑ 1	Light Blue	Light Blue	Light Blue	Grey	Grey
Regulatory frameworks	50	↓ 1	Green	Green	Green	Grey	Grey
Permits	45	↑ 1	Blue	Blue	Blue	Grey	Grey
Planning	38	↓ 2	Dark Blue	Dark Blue	Dark Blue	Grey	Grey
Procurement	28	↓ 2	Light Green	Light Green	Light Green	Grey	Grey
Activity	58	↑ 7	Teal	Teal	Teal	Grey	Grey
Funding capacity	25	—	Orange	Orange	Orange	Grey	Grey
Financial markets	33	—	Yellow	Yellow	Yellow	Grey	Grey

Vanuatu at a glance



\$3,260
GDP per capita
(USD, 2019)



0.3 million
Population
(2019)



Infrastructure investment
(2019 estimate)



Infrastructure gap
(2019 estimate)



Infrastructure quality
(0-100, 100 is best, 2019)



Private infrastructure investment
(5-year average, USD, 2019)

Top performing metrics



100/100

Private infrastructure investment

At 1% of GDP, Vanuatu has one of the highest values of private infrastructure investment over the last five years of all InfraCompass 2020 countries. This may be impacted by the COVID-19 pandemic.



82.8/100

Financial stability

Vanuatu's financial stability is similar to the average of 83 for Lower Middle Income Countries. Stable financial markets facilitate the smooth flow of funds between infrastructure assets and investors. However, the impact of the COVID-19 pandemic is a concern.



66/100

Infrastructure investment

Total public and private investment in infrastructure is high in Vanuatu, at 5.4% of GDP per annum. The COVID-19 pandemic may impact these efforts.

Opportunities to grow



No

Published project pipeline

Vanuatu does not currently publish an infrastructure pipeline of projects. The addition of an infrastructure pipeline could help provide infrastructure participants with a clear indication of prospective and confirmed infrastructure activity.



No

Published infrastructure plan

Vanuatu does not have a national or sub-national infrastructure plan. The addition of an infrastructure plan could highlight infrastructure challenges and opportunities for investment, as well as detail the government's planned responses.



No

Published infrastructure procurement guidelines

Vanuatu does not publish guidelines for the procurement of infrastructure projects. Publishing guidelines makes contractors aware of the government's processes, expectations and requirements, improves transparency and helps the government achieve better value for money.

For guidance on how to improve these metrics, please see the [Vanuatu Country Page](#) on the InfraCompass website.



ECONOMY OVERVIEW

GDP (\$US billion, 2019)	1.0	Population (million, 2019)	0.3	Unemployment rate (2019)	5.4%
GDP per capita (\$US, 2019)	3,260	Urbanisation ratio (2018)	25.0%	Inflation rate (2019)	2.0%
GDP growth rate (annual, 2019)	3.8%	Gross Government Debt (% of GDP, 2019)	49.0%	Digital Adoption Index (0-1 best, 2016)	0.32
GDP per capita growth rate (annual, 2019)	0.2%	Sovereign risk rating (2019)	NA	Gini coefficient (0-100 worst, 2010)	37.6

METRIC SCORES

The below metrics are normalised so that they all range from 0 to 100. For original metrics and data sources, please see <https://infracompass.github.org/>

GOVERNANCE		REGULATORY FRAMEWORKS		PERMITS	
Post-completion reviews?	Yes -	Effect of taxation on incentives to invest	46.5 [^] ↑	Cost to start a business	14.7 ↑
Infrastructure or PPP unit/agency?	Yes -	Prevalence of foreign ownership	56.8 [^] ↑	Dealing with construction permits	61 -
Recovery rate	45.8 ↑	Product market regulation, network sectors	54.2 [^] -	Quality of land administration	61.7 -
Rule of law	56.7 ↓	Regulatory (including competition) quality	40.5 ↓	Registering property	48.2 -
Shareholder governance	0 -	Strength of insolvency framework	37.5 -	Time required to start a business	60.2 -
Political stability and absence of violence	64 ↑	Investment promotion agency?	Yes -		
PLANNING		PROCUREMENT		ACTIVITY	
Published project pipeline?	No -	Average procurement duration – transaction RFP	44.7 [^] ↑	Infrastructure investment	66 [^] ↑
Published infrastructure plan?	No -	Degree of transparency in public procurement	38.2 [^] ↓	Private infrastructure investment	100 -
Preparation of PPPs	51.9 [^] ↓	Published procurement guidelines?	No -	Value of closed PPP infrastructure deals	40.9 [^] ↑
Economic analysis assessment?	Yes -	Procurement of PPPs	61.7 [^] -	Value of closed infrastructure deals with foreign equity sponsorship	23.7 [^] ↓
Market sounding and/or assessment?	Yes -	PPP contract management	57.4 [^] -		
Environmental impact analysis?	Yes -				
FUNDING CAPACITY		FINANCIAL MARKETS		Drawing on data from: International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, World Economic Forum, IJ Global, CEPII, Oxford Economics, Trading Economics, and Deloitte.	
GDP per capita	4.2 ↑	Domestic credit to private sector	29.6 ↓		
Gross government debt	61.5 ↓	Financing through local equity market	48.6 [^] ↑		
Long term GDP growth trend	22.2 ↓	Stocks traded	11.6 [^] ↑		
Summary credit rating	38.6 [^] ↑	Financial depth	34.7 [^] ↓		
		Financial stability	82.8 [^] ↓		

Metric key:

↑ Increase from InfraCompass 2017 ↓ Decrease from InfraCompass 2017 - No change from InfraCompass 2017

Note:

'Top performing metrics' are the metrics with the highest score out of 100.

'Opportunities to grow' are the metrics with the lowest weighted score out of 100. These metrics would have the greatest impact on the overall score.

[^]Denotes interpolated metric data. See Technical Appendix for further explanation on the interpolation techniques.