

**QUARTERLY FDI TREND  
UPDATE**

**QUARTER 1 – 2018**

**Release Date: Thursday, 31 May 2018**

➤ **NUMBER OF NEW FOREIGN INVESTMENT PROJECT APPROVALS IN Q1 2018 DECLINED 10 PERCENT. CHINA CONTINUES TO DOMINATE.**

**MAIN POINTS**

Fig 1.0: New FDI Approvals Trend, Vanuatu Leading FDI source markets- Q1-2015 - Q1-2018

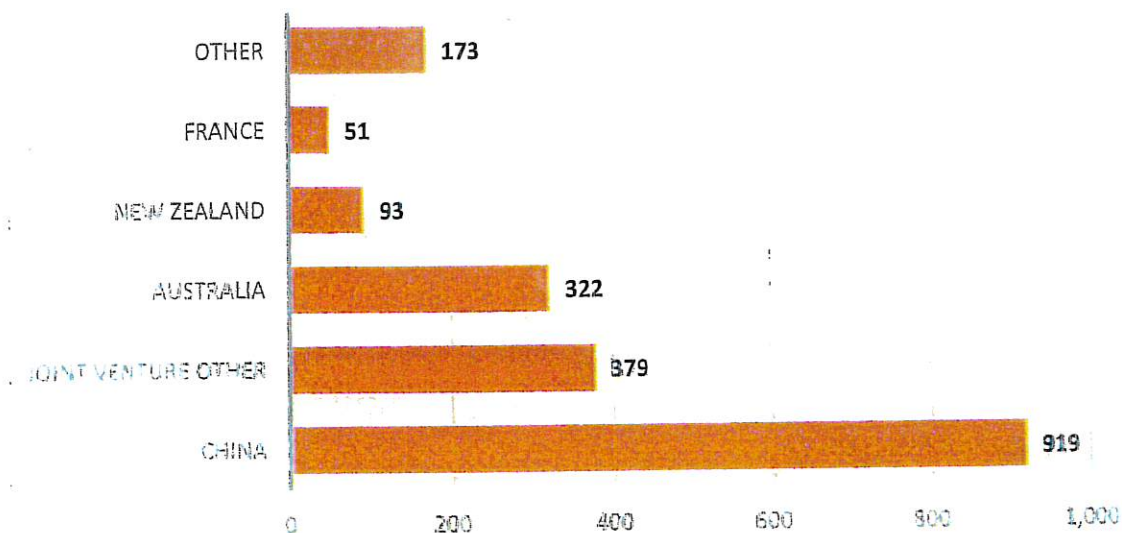


- During the 1<sup>st</sup> quarter of 2018 a total of 46 new FDI applications have been approved by the VIPA Board – five fewer applications (10 percent down) compared to the previous quarter.
- Of the total number of approvals, China accounts for the majority with a share of 39 percent.

- Growth in the *Wholesale and Retail Trade (WRT)* and *Accommodation & Food Service Activities (AFSA)* have been and remain strong because of their direct relationship with the country's successful tourism industry.
- The *Professional, Scientific & Technical Activities (PSTA)* or *F4* according to the Business Licenses Classification has been and remains a growing industry. For example during the 1<sup>st</sup> quarter, the number of approvals in this industry increased 56 percent and 133 percent increase during the same period the previous year.
- Proposals in the *Professional, Scientific & Technical Activities (PSTA)* approved accounted 16 percent of the total proposed value of all approved investments during the quarter.

## B. APPROVED PROJECTS BY SOURCE MARKET & PROPOSED VALUE

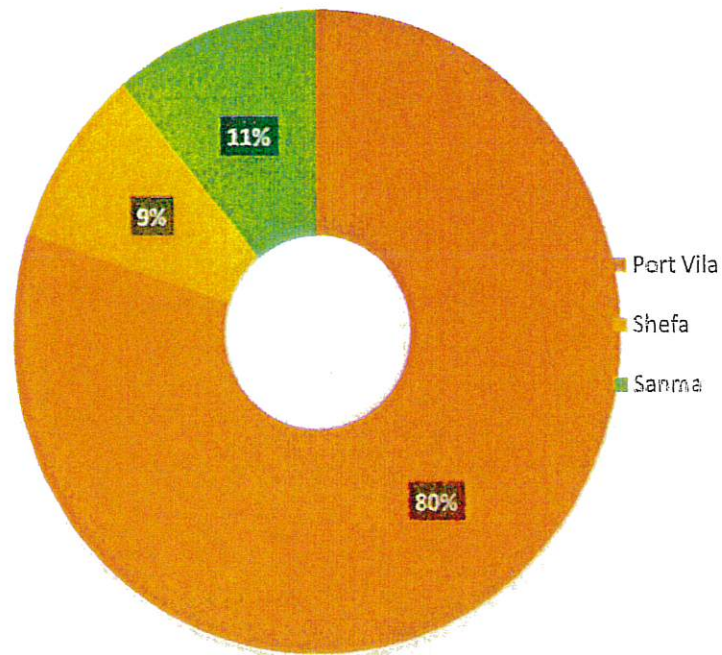
Fig 3. Proposed Investment Values by FDI source markets, Q4-2017:  
Millions of Vatu



- China records the biggest investment with a proposed value of close to 1 Billion Vatu during the quarter and Joint Venture Others and Australia as second biggest investors with investment values of VT379 M and VT322 M respectively.

## D. VALUE OF APPROVED PROJECTS BY GEOGRAPHICAL LOCATION

Fig 5. Proposed value of investment by investment location; Q1-2018



- Port Vila continues to claim the majority share of all new approved FDI projects accounting for 80 percent of all approvals while Shefa and Sanma accounted for the remaining.
- It is very encouraging to note the increasing number of FDI into the Sanma province.
- Total proposed value of investment for Sanma province reached VT214,130 Million Vatu and nineteen proposed employment for Ni Vanuatu.