

APPENDIX B**RESERVED BUSINESS ACTIVITIES¹****1. Business activities reserved only for Ni-Vanuatu citizens**

The following business activities are reserved **solely** for Ni-Vanuatu citizens. Foreign investors are **not permitted** to be involved in any of these activities **or be associated with** any Ni-Vanuatu individuals or businesses who are conducting business in any of these activities.

<ul style="list-style-type: none"> ▪ Export of sandalwood in stick or chip form harvested from natural forest 	<ul style="list-style-type: none"> ▪ Local trading of sandalwood harvested from natural forest 	<ul style="list-style-type: none"> ▪ Export of seeds and other minor forest products harvested from natural forest
<ul style="list-style-type: none"> ▪ Second hand clothing shops 	<ul style="list-style-type: none"> ▪ Export of kava in root, chips and stick form 	<ul style="list-style-type: none"> ▪ Manufacture of handicrafts and artefacts
<ul style="list-style-type: none"> ▪ Kava bar 	<ul style="list-style-type: none"> ▪ Open air vendor, door to door sales and mobile shops 	<ul style="list-style-type: none"> ▪ Road transport operators – the provision of any taxi or bus service, including airport road transfers and any other road transport service involving the guest of a hotel or other accommodation
<ul style="list-style-type: none"> ▪ Private security services including security guards 	<ul style="list-style-type: none"> ▪ Electricians and electro-technicians 	<ul style="list-style-type: none"> ▪ Commercial fishing in Vanuatu's inshore waters as defined by the Maritime Zones act (i.e. archipelagic waters including first six nautical miles from land)
<ul style="list-style-type: none"> ▪ Commercial cultural feasts 	<ul style="list-style-type: none"> ▪ Residential building and construction 	<ul style="list-style-type: none"> ▪ Small scale production of sawn timber from natural forest using a portable sawmill (i.e. can be physically moved from one location to another in the forest)

2. Reserved business activities open to foreign investment if the operation exceeds a minimum threshold.

Certain reserved business activities are open to foreign investors as long as the size of the operation is sufficiently large. Investments in these business activities are allowed assuming the investor is able to demonstrate over time they exceed the specified minimum threshold.

Activity	Code	Threshold Level
<u>Tourism</u>		
Tour agent (business that sells tourism services)	E3 (4c)	Annual sales turnover of 20 million vatu
Tour operator (business that packages two or more travel services into a single product for the consumer, i.e. transport, accommodation, meals, entertainment,	E3 (3b)	Investment of 20 million vatu

¹ Source: Vanuatu Foreign Investment Promotion Act 1998, Schedule 1

Guest house (business that provides simple accommodation using private or semi-private rooms and offers limited guest services)	D3 (e)	50 beds or 10 rooms or annual sales turnover of 20 million vatu
Bungalows (business that provides island-style accommodation in detached or semi-detached dwellings)	D3 (f)	Annual sales turnover of 30 million vatu
Hotels and motels (businesses that provides accommodation using private rooms and offers amenities such as food, alcohol and other guest services)	D3 (a) & D3 (b)	Investment of 10 million Vatu or annual sales turnover of 20 million Vatu
<u>Other Services</u>		
Retail shops including general merchandise trading shops (excludes specialty shops)	D2	Annual sales turnover of 30 million Vatu
Coastal shipping (excludes vessels that exclusively provide transport to foreign tourists)	E1(b)	Vessel size with carrying capacity of 80 tonnes

<p>Other professional or business service</p> <ul style="list-style-type: none"> ▪ Real estate agent ▪ Property managers ▪ Land and property developers ▪ Legal practitioners ▪ Accounting practitioners ▪ Engineering practitioners and services ▪ Architectural practitioners and services ▪ Surveyors and draftsmen ▪ Core drilling, assaying geological and prospecting support services ▪ Business and financial services and consultants ▪ Book keeping services ▪ Management services and consultants ▪ Advertising and marketing services and consultants ▪ Photocopying and duplicating services ▪ Typing and secretarial services ▪ Language translation and interpreting services ▪ Business security and protective services ▪ Debt collection and credit rating services ▪ Credit Schemes ▪ Other business and administrative services and agencies 	<p>F4</p>	<p>Annual sales turnover of 5 million Vatu</p>
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