

Constitutional Agencies

Quarter 1, 2019 - National Revenue Update

Background

All the constitutional agencies combined are budgeted to collect **VT 4,575.9 million** in form of fees and charges. This is **17.4%** of total budgeted Government revenue. The main contribution to revenue is through Vanuatu Development Support Programme collected by Citizenship Office.

Percentage share of Constitutional Agencies' revenue collected by each agency is:

1. Citizenship Office – **97.7%**
2. State Law Office – **1.2%**
3. Judiciary – **0.5%**
4. Public Service Commission – **0.5%**
5. Parliament – **0.03%**
6. Public Solicitor – **0.02%**
7. Public Prosecutor – **0.007%**
8. Malvatumauri – **0.004%**

This report provides an update on the revenue performance of Constitutional Agencies in the first quarter of 2019.

Brief Summary – Q1 Target Budget vs. Actuals

Agency	Annual Budget Revenue	Q1 Budget	Q1 Actuals	Variance
Citizenship Office	4,472,241,500	696,109,792	2,413,128,734	1,717,018,942
State Law Office	53,552,200	9,286,688	41,046,986	31,760,298
Judiciary	25,050,700	4,886,395	4,214,450	-671,945
Public Service Commission	23,855,100	4,875,331	2,519,274	-2,356,057
Parliament	1,490,000	153,084	391,305	238,221
Public Solicitor	918,820	295,384	203,507	-91,877
Public Prosecutor	321,400	66,127	33,178	-32,949
Malvatumauri	187,700	49,487	-	-49,487
Total	4,577,617,420	715,722,288	2,461,537,434	1,745,815,146

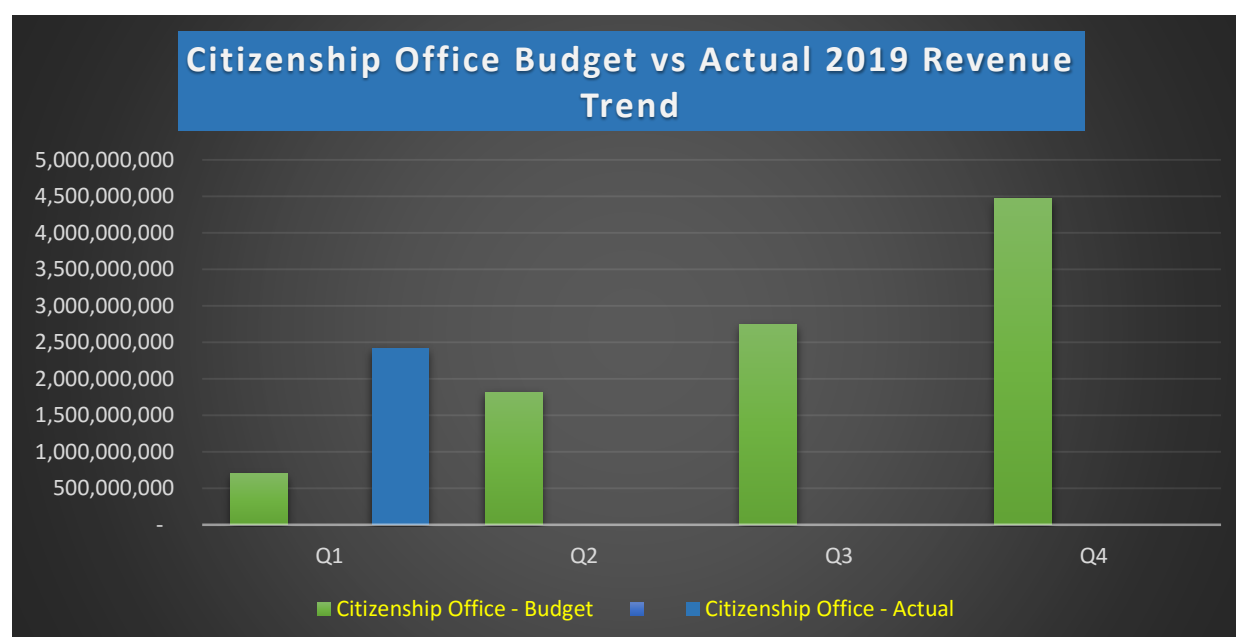
Q1 Revenue Update

At the end of Quarter 1 of 2019, revenue collected by all constitutional agencies stood at VT 2,461.5 million. 98.0 per cent of the revenue collected is by the Citizenship Office. As shown by Chart 1, revenue collected by Citizenship Office has exceeded its Q1 budget target by 246.7 per cent.

The Citizenship Office collects its revenue through citizenship programmes such as Vanuatu Development Support Programme (VDSP) and Vanuatu Contribution Programme (VCP), both of which were introduced in 2017 to replace Vanuatu Economic Rehabilitation Programme

(VERP). VERP was introduced in 2015 and was aimed at raising revenue post Cyclone Pam through fast-track citizenship programme. VERP was phased out by March 2017 to be replaced by similar programmes namely VDSP and VCP.

Chart 1 - Citizenship Office - Quarterly Budget Revenue Vs Actuals



Budgeted collections for Constitutional Agencies (excluding Citizenship Office) for the first quarter were forecasted at VT 19.6 million which is 18.6 per cent of their annual budget revenue. Actual collections were recorded at VT 48.4 million which is 45.9 per cent of its annual budget target.

Chart 2 shows cumulative revenue budgeted for all constitutional agencies (excluding citizenship office) for each progressive quarter against the actual revenue collected.

Chart 2: Constitutional Agencies (excluding Citizenship Office) - Quarterly Budget Revenue Vs Actuals

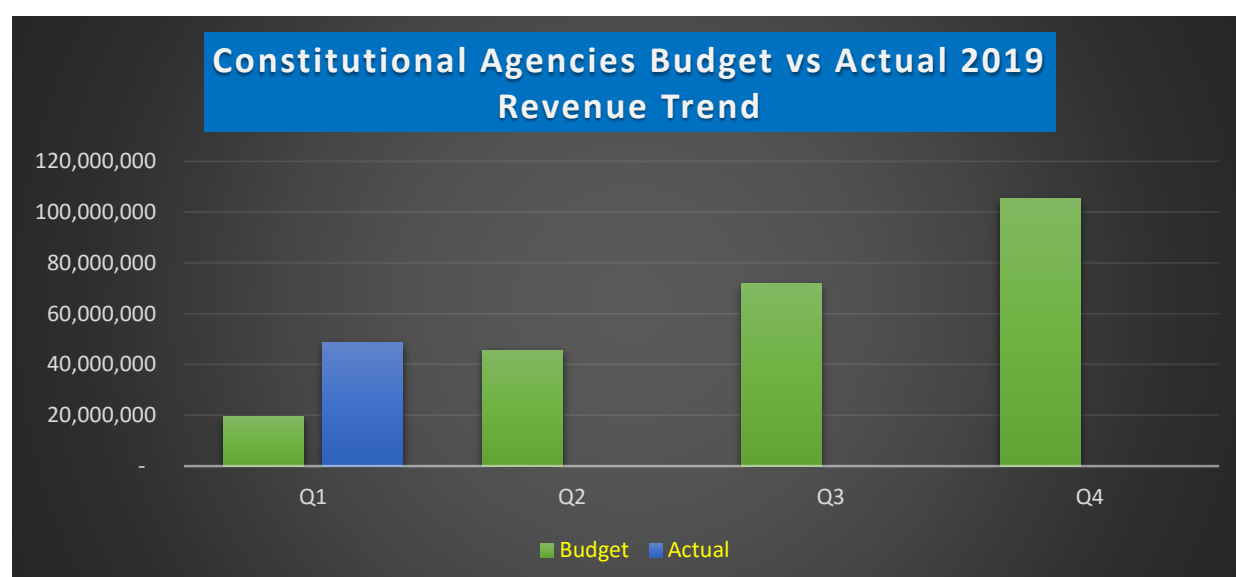
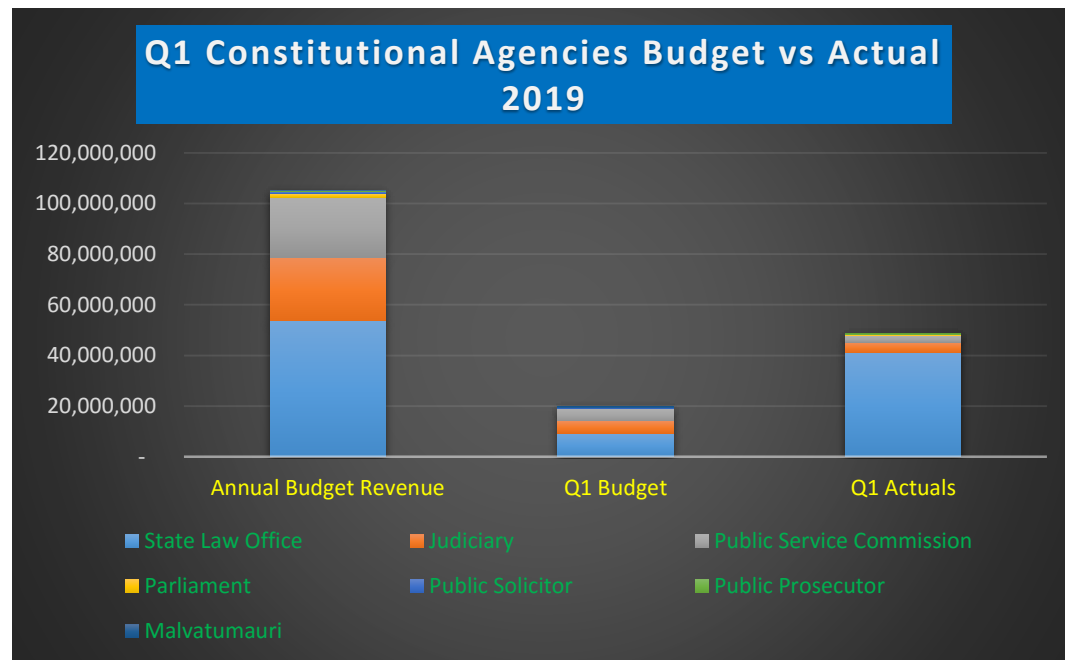


Chart 3 – Quarterly Budget vs. Actuals of all constitutional agencies (excluding Citizenship Office)



Conclusion

Overall, revenue collected by all Constitutional Agencies indicates an increase in its quarter 1 statistics. The Citizenship program continues to show a higher increase in its collections for Quarter 1 and this is likely to continue into the second Quarter of 2019. It is reasonable to expect most of these other Constitutional Agencies, apart from Citizenship office to meet their annual revenue forecasts by end of 2019.

Annex 1 - Revenue performance of each Department by revenue items

Department	2019 Budget	Q1 Budget	Q1 Actuals	Variance (Actuals - Budget)
02Parliament	1,490,000	153,084	391,305	238,221
Other Recoveries	-	-	-	-
Rents & Leases Recoveries	1,490,000	153,084	391,305	238,221
04Malvatumauri	187,700	49,487	-	-49,487
Other Fees	187,700	49,487	-	-49,487
06Citizenship Office	4,472,241,500	696,109,792	2,413,128,734	1,717,018,942
Honorary Citizenship Program Fees	4,452,669,500	690,949,636	2,405,327,035	1,714,377,399
Other Fees	19,572,000	5,160,155	7,040,662	1,880,507
Application Charges Recoveries	-	-	761,037	761,037
11State Law Office	53,552,200	9,286,688	41,046,986	31,760,298
Honorary Citizenship Program Fees	51,971,000	8,064,678	40,277,847	32,213,169
Court Costs Recoveries	129,500	26,644	-	-26,644
Publications Revenue	1,451,700	1,195,366	769,139	-426,227
12Public Prosecutor	321,400	66,127	33,178	-32,949
Court Costs Recoveries	321,400	66,127	33,178	-32,949
13Public Solicitor	918,820	295,384	203,507	-91,877
Other Recoveries	918,820	295,384	203,507	-91,877
14Judiciary	25,050,700	4,886,395	4,214,450	-671,945
Court Fines	25,050,700	4,886,395	4,214,450	-671,945
19Public Service Commission	22,128,600	4,875,331	2,519,274	-2,356,057
Vehicle Disposals	4,000,000	-	-	-
Government Houses Recoveries	17,855,100	4,875,331	2,484,274	2,484,274
Vehicle Hire	273,500	-	-	-
Valuations Recoveries	-	-	35,000	35,000
TOTAL	4,575,890,920	715,722,288	2,461,537,434	1,745,864,633