

Ministry of Trade, Tourism, Cooperatives and Ni-Vanuatu Business

Quarter 1, 2019 - National Revenue Update

Background

The Ministry of Trade, Tourism, Cooperatives and Ni-Vanuatu Business is budgeted to collect **VT 21.8 million** in form of fees and charges. This is **0.08%** of total budgeted Government revenue.

The Ministry of Trade, Tourism, Cooperatives and Ni-Vanuatu Business co-ordinates the formulation and implementation of government's policy for the development of tourism, commerce and industry through promoting and facilitating increased investment and trade by local and foreign investors. The key activities of the Ministry are as follows:

- Promote and facilitate inter-island trade and marketing of goods and services
- Develop an export trade capability for Vanuatu within the overall framework of regional and international trade agreements
- Promote and facilitate increased investment in Vanuatu by foreign investors
- Promote tourism development 5. Promote the establishment of processing and manufacturing industries

Within the Ministry, departments budgeted to collect Government revenue are -

1. Trade and Ni Vanuatu Business Corporate Service Unit – **90.2%**
2. Department of Cooperatives and Ni-Vanuatu Business Development – **9.8%**
3. National Tourism Development Office – **0.0%**
4. Department of Industry - **0.0%**

This report provides an update on the revenue collected by different departments in MFEM, highlight any potential risks to revenue collection, and finally provide recommendations for improvements for the next three quarters of the year.

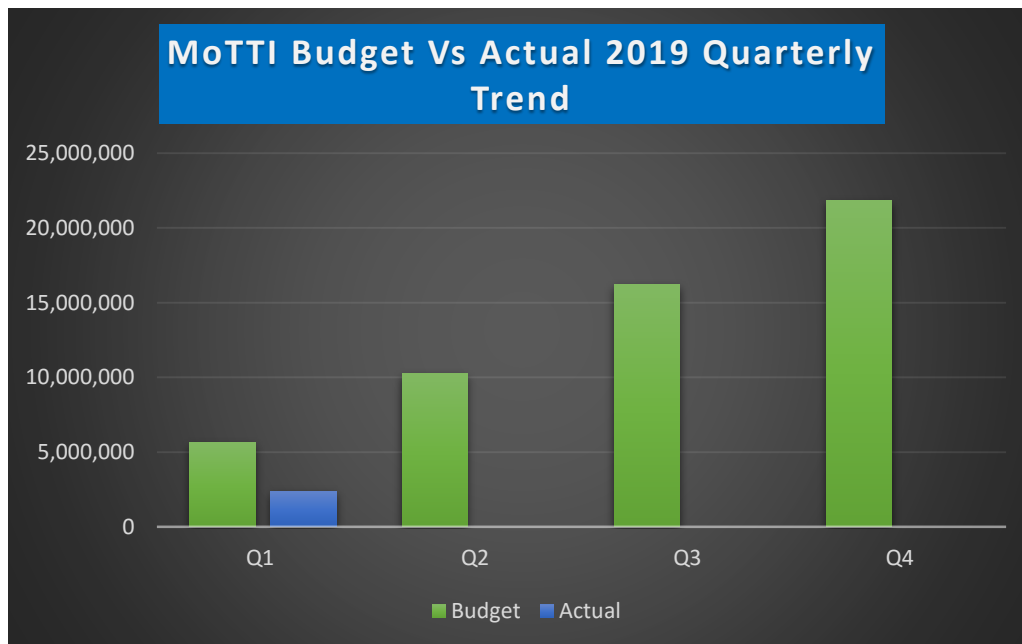
Brief Summary – Q1 Target Budget vs. Actuals

	Annual Budget Revenue	Q1 Budget	Q1 Actuals	Variance
Department of Cooperatives and Ni-Vanuatu Business Development	2,148,000	429,895	218,209	(211,686)
Trade and Ni Vanuatu Business Corporate Service Unit	19,661,000	5,183,620	2,161,827	(3,021,793)
Department of Industry	-	-	9,750	9,750
Total	21,809,000	5,613,515	2,389,786	(3,233,479)

Discussion

Chart 1 shows cumulative revenue budgeted for MoTTCNB for each progressive quarter against the actual revenue collected.

Chart 1: MOTTI Quarterly Budget Revenue Vs Actuals

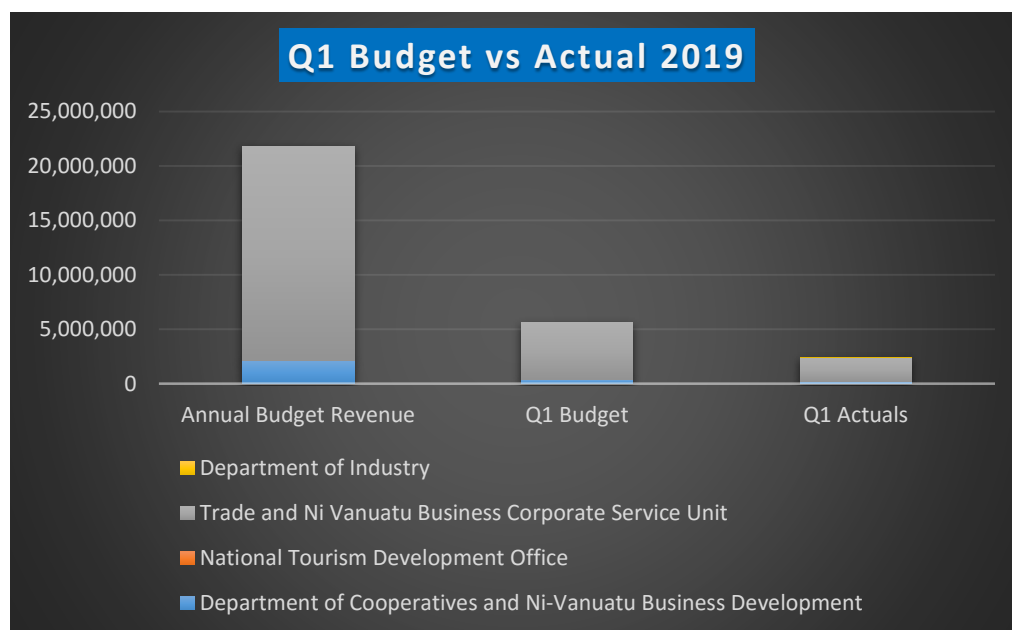


Q3 Revenue Update

At the end of Quarter 1 of 2019, revenue collected by MoTTCNVB stood at VT 2.4 million which is 10.6 per cent of annual revenue budget. Budgeted collections for the first quarter were forecasted at VT 5.6 million which is 25.7 per cent of annual revenue budget of MoTTCNVB. Actual collections for this quarter is below its budgeted target by 57.6 per cent.

Chart 1 shows cumulative revenue budgeted for MoTTCNVB for each progressive quarter against the actual revenue collected.

Chart 2 – Quarterly Budget vs. Actuals of Departments in MoTTI



Conclusion

To conclude, in the first quarter of 2019, the revenue collected under the Ministry of Trade, Tourism, Cooperatives and Ni-Vanuatu Business is below its quarter 1 budget target. The department of Finance and Treasury will continue to monitor the revenue trend with in the next 3 quarters of 2019.

Annex 1 - Revenue performance of each Department by revenue items

<i>Department</i>	<i>2019 Budget</i>	<i>Q1 Budget</i>	<i>Q1Actuals</i>	<i>Variance</i>
Department of Cooperatives and Ni-Vanuatu Business Development	2,148,000	429,895	218,209	-211,686
Other Fees	124,400	32,798	10,467	-22,331
Registration Charge Recoveries	1,947,900	358,400	189,862	-168,538
Inspections Recoveries	75,700	38,696	0	-38,696
Other Asset Disposals			17,880	17,880
Trade and Ni Vanuatu Business Corporate Service Unit	19,661,000	5,183,620	2,161,827	-3,021,793
Other Fees	19,661,000	5,183,620	90,062	-5,093,558
Registration Charge Recoveries	0	0	2,071,765	2,071,765
Department of Industry	0	0	9,750	9,750
Industrial Permit & Registration Fees	0	0	9,750	9,750
TOTAL	21,809,000	5,613,515	2,389,786	-3,223,729