

STAKEHOLDERS

Vanuatu

Vanuatu is a small island nation in the South Pacific comprised of 83 separate islands where approximately half of the population lives in poverty. Costly and unreliable transportation is a major impediment to economic growth and poverty reduction in Vanuatu. As a small, open, island economy, agriculture and tourism are central to Vanuatu's growth. These two sectors together employ more than 70 percent of Vanuatu's working population and represent approximately 34 percent of Vanuatu's gross domestic product.

Vanuatu's MCA proposal reflected these impediments and was based on the results of several ongoing economic development priority-setting forums in Vanuatu – namely the National Priorities and Action Agenda (PAA) Summit, National/Provincial Business Forums, Comprehensive Reform Program (CRP) and each province's Rural Economic Development Initiative (REDI) Plans for achieving economic development – in addition to focused public consultations on project identification. The Government of Vanuatu (GOV) considered these results in the context of ongoing and planned donor funding allocations (illustrating consultation with other donors) to determine that infrastructure for rural areas and the outer islands was a foremost, comparatively unfunded priority identified in all forums' Action Plans. Thus, the GOV considered, in particular, the existing unmet needs of Vanuatu's rural poor.

The GOV drew explicitly on the multiple ongoing mechanisms that incorporate a broad range of stakeholders at national, provincial, and local levels, for MCA Compact development purposes. Preliminary meetings with Vanuatu's council of chiefs, leaders of women's groups, the private sector, NGOs, church leaders and local government officials from Vanuatu's provinces were used to introduce the MCA process, and to update and discuss the outputs of previous forums. This first round of discussion concluded that the lack of adequate transport infrastructure (and adequate maintenance) was a leading and broadly-supported priority. Based on analysis of these results, the GOV created an initial Compact proposal.

To ensure ongoing public involvement, the GOV disseminated iterations of the specific transport infrastructure projects for MCC consideration through local media (radio and newspaper), forums in targeted provinces and through direct communication with all major donors. Vanuatu's major daily newspaper published a list of considered proposals and subsequent media coverage attests to its use as a venue for considerable discussion and debate. Elected officials, civic groups, and journalists all voiced their viewpoints to MCC directly, in the media and to the GOV regarding priorities, project locations and specific details on the projects, debating the types of roads appropriate for the specific needs of the respective communities, which contributed to the transparency of the process.

The transport infrastructure sub-projects included in the final MCA Compact proposal were identified through previous local-level stakeholder consultation forums in each of the six provinces. In these forums, government provincial leaders met with representative groups of civil society, NGOs and the private sector and identified economic opportunities limited by a lack of adequate infrastructure and proposed specific infrastructure projects accordingly. Continued outreach with direct beneficiaries is planned throughout the implementation period,

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and representatives of civil society and the private sector will sit on the MCA Vanuatu Steering Committee.