

Vanuatu Compact Progress

- ★ **Transport Infrastructure Project:** Almost 30 kilometers of sealed road on the Efate Ring Road have been completed. Drainage, clearing, and pavement shaping continues to advance around the island. In addition, the clearing, drainage, installation of guardrails and pavement shaping is almost complete for the first section of the Santo East Coast Road, with sealing on target to commence this quarter. Designs are finalized for the two remaining sections.
- ★ In June, the Government of Vanuatu signed an agreement with the New Zealand Agency for International Development (NZAID) toward road construction in Santo and Efate. MCA-Vanuatu previously signed a \$54 million contract for the construction of the Efate Ring Road and segments of the Santo East Coast Road. The

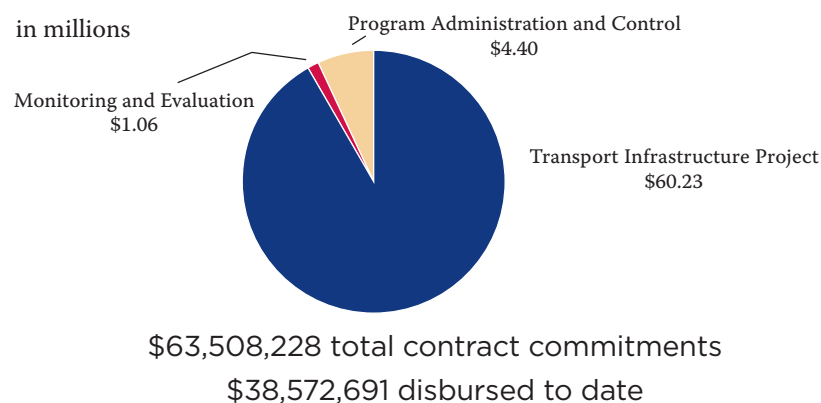
contribution by NZAID will facilitate the completion of both roads including the remaining sections of the Santo East Coast Road.

- ★ **Note:** The Vanuatu compact was restructured in early 2008 to reflect higher than expected infrastructure costs. MCC will fund up to 70 percent of the road rehabilitation planned in the Compact. With MCC assistance, the Government of Vanuatu and MCA-Vanuatu are continuing to seek funding from other donors (in addition to NZAID) to finance originally proposed infrastructure projects that will not be funded under the compact. Three projects (on Tanna, Malekula and Ambae) are being funded by AusAID and several others have been included in the Government of Vanuatu funded road program.

Compact At-A-Glance

Signed 3/2/2006
Entry Into Force..... 4/28/2006
The five-year, \$66-million compact focuses on improvements to the country's transportation infrastructure. The program will benefit rural agricultural producers and the tourism sector by reducing transportation costs and improving transportation services.

Obligations by Project



Country At-A-Glance

Population.....231,142*
GNI per Capita\$2,330*



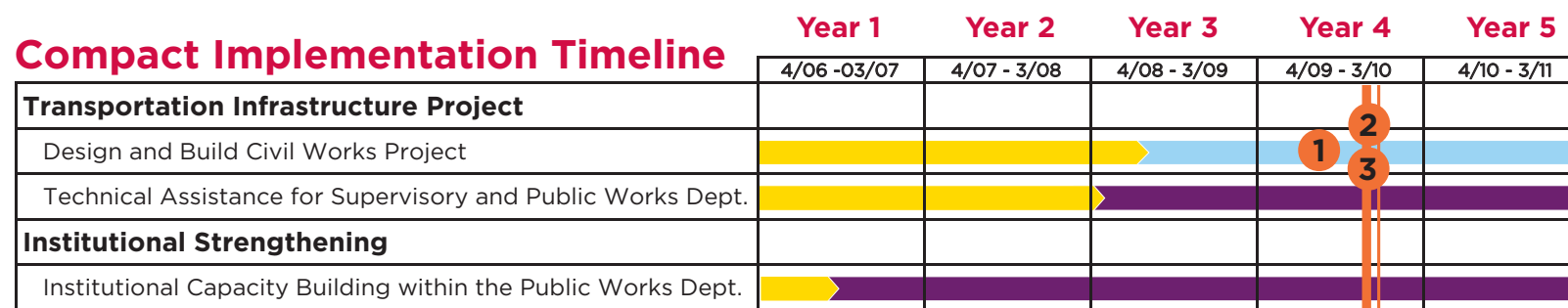
On the Web:

www.mcc.gov

MCA-Vanuatu:

www.governmentofvanuatu.gov.vu/mca-vanuatu

Compact Implementation Timeline



- Project Preparation
- Construction - Infrastructure
- Project Activities - Other Sectors

We Are Here

October 2009
Disbursements to Date..... \$38,572,691
Total Contract Commitments..... \$63,508,228

June 2009:
 Agreement with NZAID for approximately NZD\$14 million of additional funding towards completion of the Transport Infrastructure Project.

October 2009:
 Approval of final designs and pricing for Efate Ring Road and Santo East Coast Road.

October 2009:
 30 kilometers of road sealed on Efate.

* For more information on country proposals, due diligence, program set-up, implementation and monitoring, and ongoing impact, please see the diagram entitled *Typical MCC Program Cycle* at www.mcc.gov.

Compact Implementation Status Report Timeline, Vanuatu