



REPUBLIC OF VANUATU

**FOREIGN INVESTMENT (AMENDMENT)
ACT NO. 32 OF 2021**

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REPUBLIC OF VANUATU

Assent: 10/12/2021
Commencement: 03/03/2022

FOREIGN INVESTMENT (AMENDMENT) ACT NO. 32 OF 2021

An Act to amend the Foreign Investment Act No. 25 of 2019.

Be it enacted by the President and Parliament as follows-

1 Amendment

The Foreign Investment Act No. 25 of 2019 is amended as set out in the Schedule.

2 Commencement

This Act commences on the day on which it is published in the Gazette.

SCHEDULE

AMENDMENTS OF FOREIGN INVESTMENT ACT NO. 25 OF 2019

1 Subsection 1(1)

Insert in its correct alphabetical position

“**certificate of registration** means a certificate of registration issued to a foreign investor under paragraph 43(2)(b) and includes an approval certificate issued under the repealed Act;”

2 Paragraph 4(2)(g)

Delete “.”, substitute “; and

- (h) the Director of the Department responsible for Immigration; and
- (i) the Director of the Department responsible for Labour; and
- (j) the Director of the Department responsible for Inland Revenue; and
- (k) a representative of the Minister.”

3 Subsections 16(3), 21(2), 27(2) and 56(1) and paragraph 34(b)

Delete “an investment registration certificate”, substitute “a certificate of registration”

4 Subsection 32(5)

Delete “A” (first occurring), substitute “Subject to subsection (6), a”

5 At the end of section 32

Add

“(6) The Chief Executive Officer must withhold information from being provided to a person under subsection (5), if he or she considers that the information is commercially sensitive information.”

6 At the end of section 37

Add

- “(3) A certificate of registration is valid from the date on which it is issued until:
- (a) the date it is cancelled by the Chief Executive Officer under subsection 47(1); or
 - (b) the date of cessation in accordance with a notice given under paragraph 49(a) of:
 - (i) the investment activity to which the certificate relates; or
 - (ii) if the certificate relates to more than one activity, the last remaining activity to which it relates.”

7 Subsection 45(3)

Repeal the subsection, substitute

- “(3) A foreign investor to whom a certificate of registration has been issued must notify the Chief Executive Officer in writing of any proposed change to any of the following details prior to the change occurring:
- (a) the business name (if any) under which the foreign investor carries on an investment activity; or
 - (b) the address of any premises where the foreign investor carries on an investment activity; or
 - (c) the address for service of notices and other documents on the foreign investor; or
 - (d) any other details as may be prescribed.”

8 Subsection 45(4)

Repeal the subsection.

9 Subsection 45(5)

Repeal the subsection, substitute

- “(5) A foreign investor to whom a certificate of registration has been issued must apply to the Chief Executive Officer to vary:

- (a) an investment activity for which the foreign investor's certificate of registration has been issued; or
- (b) the ownership structure of the investment activity; or
- (c) any other details as may be prescribed."

10 Subsection 45(6)

After "investor's" insert "application for"

11 Subsections 45(8) and (9)

Repeal the subsections, substitute

- "(8) Subject to subsection (9), if an investment activity of a foreign investor is expanded in the form of a variation of the activity more than 3 times following approval of an application made under subsection (5), the foreign investor must, as soon as practicable, enter into a joint venture for the expanded investment activity with a citizen of Vanuatu.
- (9) The Minister may prescribe conditions to which joint ventures under subsection (8) are subject to."

12 Subsections 48(2) and (3)

Repeal the subsections, substitute

- "(2) If a certificate of registration is cancelled, the Chief Executive Officer must publish a notice of the cancellation as prescribed."

13 Section 49

Repeal the section, substitute

"49 Cessation or transfer of business

A holder of a valid certificate of registration must, as soon as practicable, give notice in writing to the Chief Executive Officer and the Board prior to the holder:

- (a) ceasing all investment activities; or
- (b) transferring all investment activities."

14 Subsection 50(4)

Delete “2 months”, substitute “1 month”

15 Section 57

Repeal the section, substitute the following sections

“57 Offence of failing to notify the Chief Executive Officer change of details under subsection 45(3)

A foreign investor who fails to notify the Chief Executive Officer of a change of a detail under subsection 45(3), commits an offence punishable on conviction:

- (a) in the case of an individual - by a fine not exceeding VT10,000; or
- (b) in the case of a body corporate - by a fine not exceeding VT50,000.

57A Offence of failing to apply for change of details under subsection 45(5)

A foreign investor who fails to apply to the Chief Executive Officer for a variation of a detail specified in subsection 45(5), commits an offence punishable on conviction:

- (a) in the case of an individual - by a fine not exceeding VT500,000; or
- (b) in the case of a body corporate - by a fine not exceeding VT1,000,000.

57B Offence of failing to notify Chief Executive Officer under section 49

A person who fails to give notice to the Chief Executive Officer under section 49, commits an offence punishable on conviction:

- (a) in the case of an individual – by fine not exceeding VT 500,000; or
- (b) in the case of a body corporate – by fine not exceeding VT 1,000,000.”