



# Vanuatu Financial Services Commission (VFSC):

## Processes & Requirements of Registering a Business in Vanuatu

PCREE : ENTREPRENEURSHIP IN RENEWABLE ENERGY & ENERGY EFFICIENCY

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# Introduction

- ▶ Definition of Business Registration
- ▶ Why register with the Vanuatu Financial Services Commission (VFSC)?
- ▶ Types of business related entity to be registered
- ▶ Processes of registering a business
- ▶ Requirements for registering a business
- ▶ Compliance requirements
- ▶ Business Registration statistic comparisons
- ▶ Key Issues

# DEFINITION OF BUSINESS REGISTRATION

- ▶ Any business with an objective to generate income to get profit and in operation in Vanuatu is **COMPULSARY** to register their entity with the Commission.
  - Legislations administrated by the Commission are the legal basis of all registered businesses in Vanuatu.
  - Focus legislations are:
    - Companies Act No. 25 of 2012
    - Business Names Act (CAP211)

# Why register with the Vanuatu Financial Services Commission (VFSC)?

1. To protect Entrepreneurs – if you are the owner of the business your business or company can take legal action against other parties regarding issues that may harm your business.
2. Consumers will be more confident in your business
3. To protect Consumers - Consumers' Rights
4. More opportunities i.e. aware of grants / loans offered by agencies and financial institutions to expand your business

# Types of business related entity registration

▶ There are two main types of registrations

1. Company Registration under the Companies Act No. 25 of 2012
  - a) Private Limited Company – e.g. Banks, Insurance, Finance, Investment companies etc. or
  - b) Single Shareholder Company – e.g. holding company
  - Company registration are complex and have strict market entry requirements
2. Business Names Registration under the Business Names Act (CAP211)
  - Small businesses – e.g. Retail, Information Technology services, Energy, Consultancy Services, Legal Services, Accounting services, Construction activities, etc.
  - Used as trading names for companies
  - It's fast to register and have less market entity requirements (i.e. 1-2 days processing time)

# Processes of registering a business

- ▶ Registration can be done Online or via Paper-form method.
- ▶ Company registration (Consultation, Application, & Review)
  1. Name check
  2. Reserve name
    - Complete name reservation form
    - Pay a reservation fee of VT5,000
    - Receive payment receipt (via email)
    - Submit form for review/approval
    - Receive confirmation letter of reservation (via email)
  3. Register company
    - Complete registration form (i.e. enter director(s), shares & shareholder(s), share allocation(s) details etc.)
    - Pay a registration fee of VT30,000
    - Receive payment receipt (via email)
    - Submit form for review (approve or return application for revision)
    - Receive certificate of registration (via email)

# Processes of registering a business cont....

## ▶ Business Name registration (Consultation, Application, & Review)

1. Name check
2. Reserve name
  - Complete name reservation form
  - Pay a reservation fee of VT5,000
  - Receive payment receipt (via email)
  - Submit for review/approval
  - Receive confirmation letter of reservation (via email)
3. Register business name
  - Complete registration form
  - Pay a registration fee of VT10,000
  - Receive payment receipt (via email)
  - Submit for review (approve or return application for revision)
  - Receive certificate of registration (via email)

# Requirements for registering a business related entity

- ▶ Company registration requirements
  - Must have Company Rules
  - Must have consent(s) to act as director(s)
  - Must provide identification documents of director(s)
  - Must provide director(s) notarized Police clearance documents
  - Must provide approval documents by other government bodies regarding specific business activities e.g.
    - ❑ Reserve Bank of Vanuatu – Banking and Insurance license
    - ❑ Custom and Inland Revenue Department – Casino license
  - *Company service providers (i.e. agents or trustees) are required to apply for license under the CTSP Act after registering their company or business name.*

# Requirements for registering a business related entity cont....

## ▶ Business name registration requirements

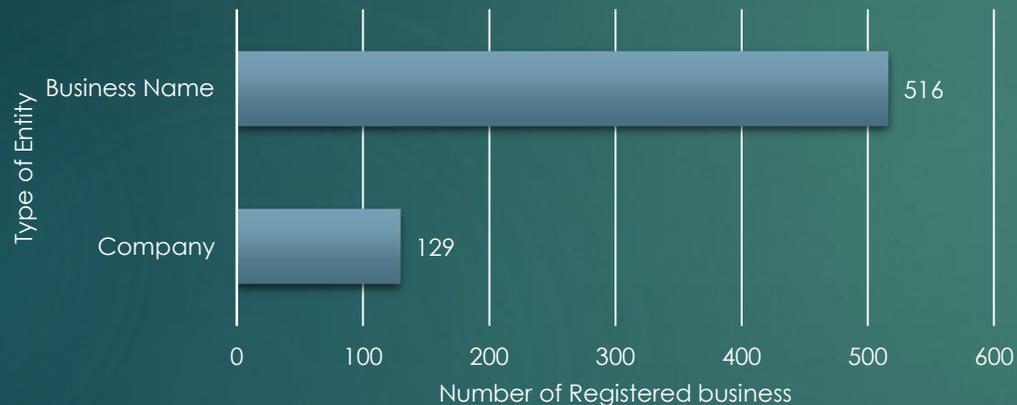
- Must provide identification documents of owner(s)
- Must provide approval documents by other government bodies regarding specific business activities e.g.
  - ❑ Ministry of Education – education activity (i.e. school)
  - ❑ Ministry of Lands & Natural Resources – mining and quarry activities
  - ❑ Ministry of Climate Change Adaption, Meteorology, Geo-Hazards, Environment, Energy and Disaster Management – Energy activities
- *Company service providers (i.e. agents) are required to apply for license under the CTSP Act after registering their company or business name.*

# Compliance Requirements

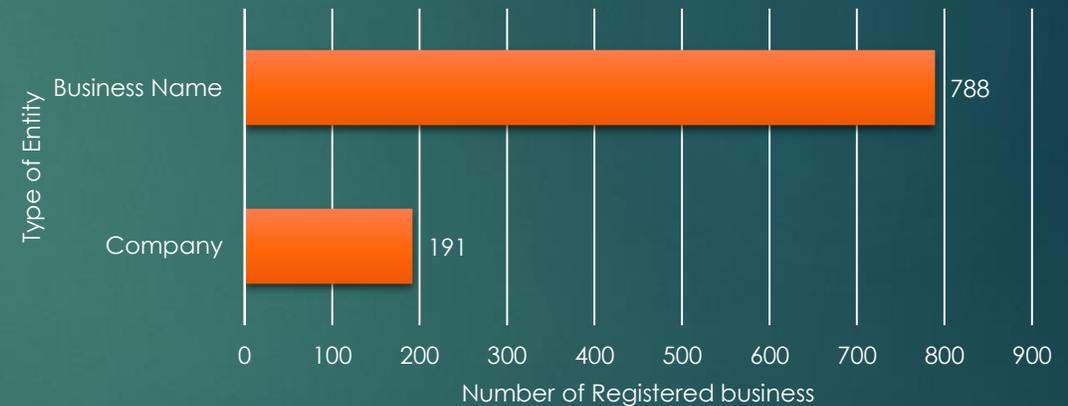
- ▶ A registered company or business name is required by law to file and pay its annual return or annual renewal filing fee on the month of its registration.
  - ▶ Complete annual return form - confirming company details
  - ▶ Annual return fee VT30,000
  - ▶ Complete renewal form - confirming business details
  - ▶ Renewal filing fee VT5,000
- ▶ Both annual filings does not require review by the VFSC
- ▶ Non-compliance months are December & January of every year for every registered business entities.

# Business Registration statistic comparisons

**BUSINESS REGISTRY STATISTICS**  
01-Jan-2017 to 25-Sept-2017



**BUSINESS REGISTRY STATISTICS**  
01-Jan-2018 to 25-Sept-2018



## Other statistics:

- Total registered companies in 2017 was 210
- Total registered business names in 2017 was 737
- 2018 data shows that there is a immense increase in number of registered companies and business names in Vanuatu compare to 2017 registration stats.
- Overall total registered Company is now at **1,728** and total registered Business Name is now at **2,869**.

# Key Issues

- ▶ To register all Non-registered small businesses in main business centers in Vanuatu
  - ▶ Allowing unprotected entrepreneurs to be protected by law
- ▶ Continue to adapt to new technology to provide an efficient registration services to entrepreneurs
- ▶ To assist in making Vanuatu's financial center one of best place of ease of doing business

Visit our website & Online Registry at:

[www.vfsc.vu](http://www.vfsc.vu)

Contact us via email: [registrar@vfsc.vu](mailto:registrar@vfsc.vu) or [wdovo@vfsc.vu](mailto:wdovo@vfsc.vu)

Tel: (+678) 22247

Tank Yu Tumas!