

Protecting our national wealth and resources



Pillar 9 of the Vanuatu National Security Strategy (VNSS) is about “Economic Security” as a sustainable economy is fundamental to national security. A country with unstable economy can trigger instability and security issues. Although Vanuatu faces many challenges caused by natural disasters, the economy is generally well managed. Vanuatu is still recovering from major disasters and challenges such as Cyclone Pam, the twin cyclones, COVID-19, and the December 2024 earthquake. These experiences demonstrate that Vanuatu has a resilient economy. Despite these challenges, the people of Vanuatu continue to play an important role in protecting and supporting our economy. This booklet aims to inform citizens about our economic situation, the risks we face, and the link between our economy and our national security.



What Is the Vanuatu Economy?

Vanuatu's economy is primarily agricultural; 80% of the population is engaged in agricultural activities ranging from subsistence farming to smallholder farming of coconuts and other revenue generating crops. Other key sectors include tourism, offshore financial services and fishing.

Facts about Vanuatu's Economy

Economic Structure

Vanuatu's economy is traditionally based on subsistence farming. The most important cash crops include copra, kava, beef, timber, and cocoa. Fishing additionally supports the livelihood of Vanuatu's population and builds a foundation for the country's trading activities. Furthermore, offshore financial services and tourism are important sources of foreign exchange.

Export Products

Vanuatu's main export articles originate from the ocean, including different types of frozen fish (tuna, skipjack, bonito, albacore, swordfish). Vanuatu also exports different types of plants mainly used in perfumery or pharmacy and cocoa beans.

Trade Partners

Vanuatu's most important trading partners in 2023 were Australia (24% of the country's total trade), Singapore (23%) and China (14%). The most important export markets in 2023 were Australia, Fiji and China, while Singapore and Australia were the most important suppliers.

Island Economy

Vanuatu is an island economy located in the Southern Pacific off the eastern coast of Australia. The in total 83 islands are mostly mountainous and part of the Pacific's seismic strip which leaves the country particularly vulnerable to volcanic eruptions, earthquakes, and tsunamis.

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Main sectors in Vanuatu's Economy

The followings are the main sectors of Vanuatu's economy, which are the major sources of national income for the country:



Vanuatu National Security Strategy Pillar 9: Economy

Pillar 9 highlights that a strong, sustainable and well-managed economy is essential to Vanuatu's national security because it supports stability, development and the country's ability to respond to shocks. Vanuatu's economy, though vulnerable due to its narrow base and frequent natural disasters, has proven to be resilient, especially through sectors like agriculture, tourism and labor mobility.

Protecting the economy from risks such as corruption, external pressures, global disruptions and unsustainable debts is crucial for ensuring national stability. A secure economy strengthens social cohesion, supports essential services and enables government and security institutions to operate effectively, making economic resilience a core part of Vanuatu's overall security.

Threats to Vanuatu's economy



Natural threats:

- Cyclones
- Earthquakes and tsunamis
- Coastal erosion
- Sea- level rise
- Floods and Land slides



Human threats:

- Illegal Fishing
- Land disputes
- Corruption
- Drugs
- Foreign exploitation of resources
- Invasive species
- Political instability

Your role as a citizen

Vanuatu's strength lies in its people. All men, women, youth, children and leaders, play a vital role in protecting our nation's economy. There is simple yet easy ways to protect our country's economy. First, we:

- Follow cyclone and disaster warnings
- Report suspicious activities both in land and sea
- Protect the environment
- Support local businesses
- Practice honesty and respect
- Know your rights and responsibilities

Conclusion.

Vanuatu's economy is a key pillar of national security and every citizen has a responsibility to play to promote economic stability. Vanuatu has an open economy and is keen to attract foreign investments, however, its geographical location poses challenges. Despite these challenges, our people and communities continue to show strength and resilience. By protecting our resources, following the law and supporting our economy, everyone plays an important role in securing Vanuatu's future.