

Permanent Residents in Vanuatu and FIAC requirements

The requirement to obtain a **Foreign Investment Approval Certificate (FIAC)** from the **Vanuatu Investment Promotion Authority (VIPA)**, now known as the **Vanuatu Foreign Investment Promotion Agency (VFIPA)**, applies specifically to **foreign investors** under the **Foreign Investment Act No. 25 of 2019**. However, the applicability to **permanent residents** of Vanuatu depends on their status as "foreign investors" under Vanuatu law.

Key Points:

Definition of a Foreign Investor:

- According to the Foreign Investment Act, a **foreign investor** is defined as a non-citizen of Vanuatu or an entity that is not wholly owned or controlled by Vanuatu citizens. This includes individuals or companies regardless of their residency status in Vanuatu.
- Therefore, even if you are a **permanent resident** of Vanuatu, you are still considered a **foreign investor** if you are not a Vanuatu citizen. As a result, you would need to obtain an FIAC for your business.

Exemption for Vanuatu Citizens:

- If you are a **citizen of Vanuatu**, whether by birth or naturalization, you are not required to obtain an FIAC, as the FIAC requirement applies only to foreign investors.
- Businesses wholly owned or controlled by Vanuatu citizens are exempt from this requirement.

Permanent Residents:

- Permanent residency in Vanuatu does not equate to citizenship. Permanent residents who are non-citizens (e.g., foreign nationals with residency permits) are still classified as foreign investors under the Act.
- Thus, permanent residents who are not Vanuatu citizens must apply for an FIAC when registering a business with the **Vanuatu Financial Services Commission (VFSC)** and starting operations.

Practical Implications:

- If you are a permanent resident but not a citizen, you must follow the same process as other foreign investors, including submitting a **VFIPA Form 1**, providing supporting documents (e.g., passport, police clearance if residing in Vanuatu), and paying the applicable FIAC fees.
- The process, costs, and requirements (as outlined in the previous response) remain the same, including the need for annual FIAC renewal and obtaining a business license.

Verification:

- To confirm whether your specific status as a permanent resident affects the FIAC requirement, you should contact **VIPA/VFIPA** directly at **investment@vipa.org.vu** (<mailto:investment@vipa.org.vu>) or **+678 24441 / +678 24096**, or check their website (www.investvanuatu.org). They can clarify based on your citizenship and residency status.
- Additionally, consulting a local legal or business advisor in Vanuatu is recommended to ensure compliance with all regulations.

Summary:

The FIAC requirement applies to **all foreign investors**, including permanent residents who are not Vanuatu citizens. It does not apply to Vanuatu citizens, regardless of residency. If you are a permanent resident but not a citizen, you must obtain an FIAC for your business.