



Vanuatu Compact Progress

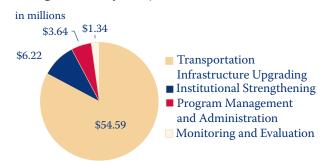
- ★ Transportation Infrastructure Project: MCA-Vanuatu has signed a \$54 million design and build contract for the construction of the Efate Ring Road and segments of the Santo East Coast Road. Design work for the Efate Ring Road is well underway and construction began in September 2008.
- ★ Environmental and social assessments for the island of Efate have been finalized and mitigation measures are in progress. Resettlement agreements are being signed ahead of schedule.
- ★ Institutional Strengthening: MCA is in the final stages of the procurement process for maintenance equipment for the Public Works Department. This equipment will help increase the department's maintenance capacity and ensure the sustainability of the

- projects. A new Engineering Support Unit has been established within PWD with a current staffing of four dedicated to the compact programs.
- ★ Note: Compact funding allocations for Vanuatu have been adjusted to reflect higher than expected infrastructure project costs. MCC will fund up to 70% of the road rehabilitation planned in the compact which now will be on the two main islands of Vanuatu rather than the eight islands originally planned. MCC has actively supported the Government of Vanuatu in negotiations with other donors to finance as much as possible of the remaining original project components.

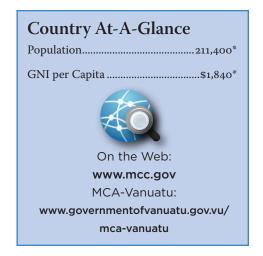
Compact At-A-Glance

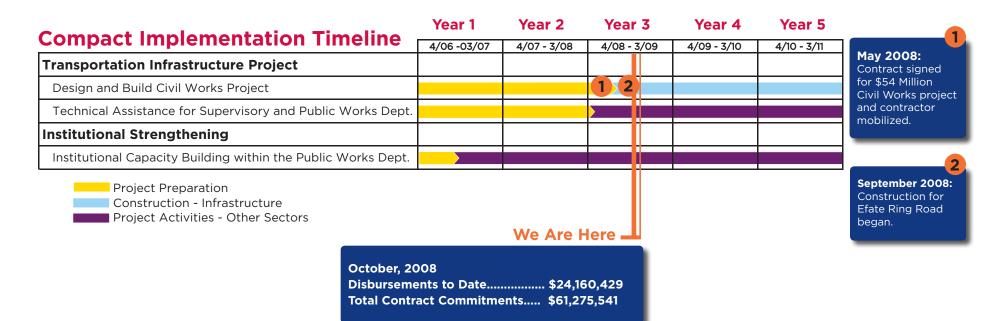
The five-year, \$65.7 million compact focuses on improvements to the country's transportation infrastructure. The program will benefit rural agricultural producers and the tourism sector by reducing transportation costs and improving transportation services.

Obligations by Project



\$61,275,541 total contract commitments \$24,160,429 disbursed to date





Compact Implementation Status Report Timeline, Vanuatu

^{*} 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.