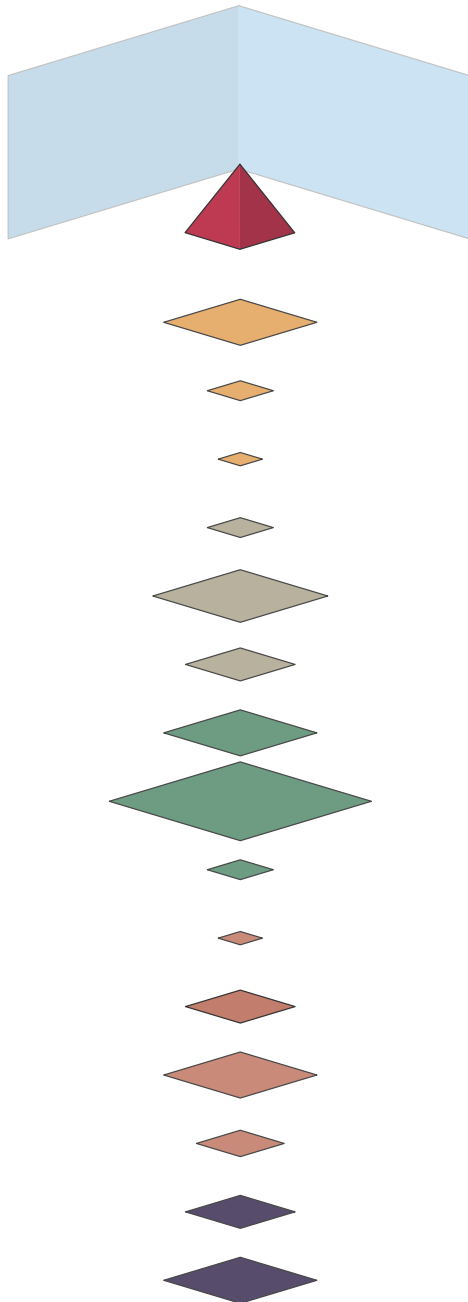


# VANUATU



2.43

## CRIMINALITY SCORE

188<sup>th</sup> of 193 countries  
11<sup>th</sup> of 14 Oceanian countries  
4<sup>th</sup> of 4 Melanesian countries



## CRIMINAL MARKETS

2.67

HUMAN TRAFFICKING	3.50
HUMAN SMUGGLING	1.50
EXTORTION & PROTECTION RACKETEERING	1.00
ARMS TRAFFICKING	1.50
TRADE IN COUNTERFEIT GOODS	4.00
ILLICIT TRADE IN EXCISABLE GOODS	2.50
FLORA CRIMES	3.50
FAUNA CRIMES	6.00
NON-RENEWABLE RESOURCE CRIMES	1.50
HEROIN TRADE	1.00
COCAINE TRADE	2.50
CANNABIS TRADE	3.50
SYNTHETIC DRUG TRADE	2.00
CYBER-DEPENDENT CRIMES	2.50
FINANCIAL CRIMES	3.50



## CRIMINAL ACTORS

2.20

MAFIA-STYLE GROUPS	1.00
CRIMINAL NETWORKS	1.50
STATE-EMBEDDED ACTORS	3.00
FOREIGN ACTORS	4.00
PRIVATE SECTOR ACTORS	1.50

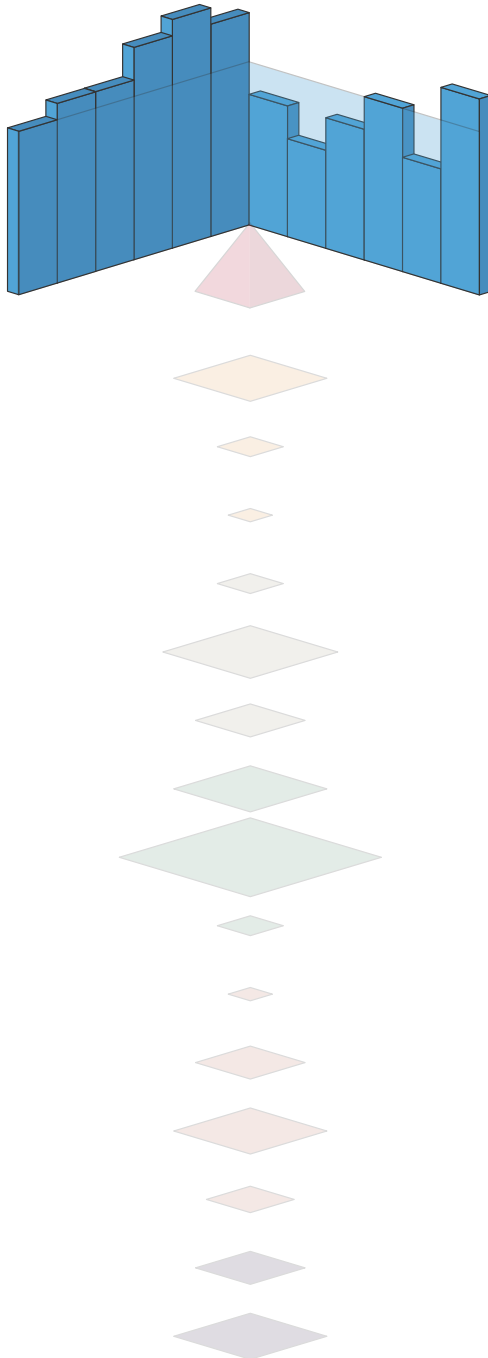


5.13

## RESILIENCE SCORE



 **VANUATU**





**5.13**  
**RESILIENCE SCORE**

84<sup>th</sup> of 193 countries  
10<sup>th</sup> of 14 Oceanian countries  
2<sup>nd</sup> of 4 Melanesian countries

POLITICAL LEADERSHIP AND GOVERNANCE	5.00
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	5.50
INTERNATIONAL COOPERATION	5.50
NATIONAL POLICIES AND LAWS	6.50
JUDICIAL SYSTEM AND DETENTION	7.00
LAW ENFORCEMENT	6.50
TERRITORIAL INTEGRITY	4.00
ANTI-MONEY LAUNDERING	3.00
ECONOMIC REGULATORY CAPACITY	4.00
VICTIM AND WITNESS SUPPORT	5.00
PREVENTION	3.50
NON-STATE ACTORS	6.00

**2.43**  
**CRIMINALITY SCORE**

 CRIMINAL MARKETS	2.67
 CRIMINAL ACTORS	2.20



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# CRIMINALITY

## CRIMINAL MARKETS

### PEOPLE

Vanuatu is predominantly a transit country for human trafficking, where victims from foreign or domestic locations are trafficked from one island to another for labour or sexual exploitation. While most cases involve foreign victims from Southeast Asia en route to other destinations for sexual exploitation, the scale of these crimes is small. However, the country's status as a popular tourist destination is creating a higher demand for workers, making it potentially more vulnerable to human trafficking. In this respect, Vanuatu has been gradually becoming a destination country for human trafficking, especially in the form of forced labour.

Reports on human smuggling in Vanuatu are not common, with mostly anecdotal evidence. Given the country's small size, it is unlikely that human smuggling would go unnoticed, and COVID-19 travel restrictions have further reduced the incidence of this crime. There is no information or reports of extortion or protection racketeering in Vanuatu, indicating that these crimes are not prevalent in the country.

### TRADE

Based on current evidence, the extent of arms trafficking in Vanuatu seems to be limited. Furthermore, there is no substantial indication of a significant market for counterfeit goods within the country, nor any evidence of organized crime involvement in such trade. However, recently, there has been an increase in the trade of counterfeited goods in the Oceania region, with growing demand. Counterfeited items, such as clothes, pharmaceutical products, pesticides and electronic gadgets, mostly originating from China, are becoming more prevalent in both commercial and e-commerce trade. This trend is also seen in the Vanuatu market, where seizures, specifically branded clothing items, have been increasing in recent years. Similar to the counterfeit market, illicit trade in excise goods, specifically tobacco products, have also been on the rise in the region and in the country, due to the increasing levels of excise taxes. Even though there is no evidence to suggest a widespread illicit excise goods market in Vanuatu, there have been increasing numbers of instances of the illicit trade of Asian brand cigarettes.

### ENVIRONMENT

In Vanuatu, illegal logging and illegal fishing are the main crimes related to flora and fauna, respectively. The illegal logging market is confined to local areas and facilitated by corruption among public servants, landowners, and private

individuals. Vanuatu also serves as a distributor of illegal timber, with China being a significant buyer. In addition, the country's coffee-, cocoa- and kava-growing industries may also be vulnerable to criminal infiltration and fraud, which highlights the importance of careful oversight.

As concerns fauna crimes, illegal fishing is prevalent in Vanuatu, with foreign nationals involved in the activity. The use of driftnets, which is illegal in the country, poses a significant threat to marine life in the region. Additionally, Vanuatu benefits from the permanent bilateral ship rider agreement with the US Coast Guard, allowing law enforcement to expand their reach of monitoring and control for a limited number of days annually. There have also been reports of illegal smuggling of local birds. There is no evidence of an organized criminal market related to nonrenewable resources.

### DRUGS

The drug market in Vanuatu is relatively small, with little evidence to suggest the existence of an illicit heroin or cocaine market. According to local authorities, most drug cases involving these substances involve tourists who take the drugs through Vanuatu to destinations such as Australia or New Zealand. The transit of drugs to Australia from the Americas via small crafts is a persistent and increasing threat in the Pacific region.

In Vanuatu, the cannabis trade is small, and the market is mostly of domestic origin, although small quantities are occasionally brought in from nearby countries. The synthetic drug market is also small, but there is evidence of local demand and production, and transnational organized groups are increasingly targeting the region. There is a possibility that offshore laboratories could be established to enable the export of synthetic drugs to Australia and New Zealand.

### CYBER-DEPENDENT CRIMES

Vanuatu has experienced a rise in cybercrime cases, with image abuse, slander, and cyberbullying being the main reported incidents according to authorities, but cyber-dependent offenses are not prevalent. While the country may not be a high-value target for organized cybercriminals, national institutions remain vulnerable to cybercrime as a result of a lack of capacity and training.

Vanuatu's Computer Emergency Response Team has been working with government agencies and other partners to increase resilience against cyber-attacks. Despite these efforts, the country suffered a ransomware attack in 2022 that resulted in the shutdown of all government systems.

Vanuatu sought assistance from the Australian government to recover from the attack. Recently, Vanuatu has also been involved in crypto scams, as the perpetrators, some of whom also hold Vanuatuan passports, have been carrying out illicit activities from the country.

## FINANCIAL CRIMES

Vanuatu is a well-known offshore destination and has been blacklisted by the European Union as an uncooperative tax jurisdiction. Despite being a small economy, international fraudsters continue to exploit Vanuatu institutions to hide their assets and proceeds of crime, or to defraud governments. While financial crimes perpetrated inside the country are rare, Vanuatu's tax haven status and its Citizen-by-Investment programme attract foreign nationals who may be linked to financial and transnational crimes.

There are concerns about a privately owned island in Vanuatu, which aims to become a crypto city. The Vanuatu Financial Services Commission has warned that the project may be a scam.

# RESILIENCE

## LEADERSHIP AND GOVERNANCE

Vanuatu has been politically volatile since gaining independence in 1980, creating an environment vulnerable to bribery, nepotism, and misappropriation of funds, as evidenced by high-profile court cases against members of parliament and former prime ministers. While independent institutions such as the judiciary and prosecutors have been effective in combating political corruption, the majority of the population believes that government corruption is a problem, and there is a general distrust in institutions. However, in recent years, there has been a growing focus of the government on anti-corruption efforts, which is evident by the increased funding allocated to the key anti-corruption agencies in the country. Due to the low levels of organized crime in the country, the government and the opposition rarely communicate about strategies to combat crime. The international community has also not raised any concerns in this regard. Parliament sessions are streamed live on the internet, and elected officials must submit financial disclosures, however, these documents are not accessible to the public.

Vanuatu is part of several international organizations and treaties, but it has not ratified several UN protocols related to trafficking and illicit activities. The country cooperates with international counterparts such as the Australian Federal Police and the US Coast Guard to combat transnational

## CRIMINAL ACTORS

Foreign actors pose the main criminal threat to Vanuatu, with drug trafficking and illegal fishing being the primary concerns due to the country's lax financial regulations and extensive waters. Vanuatu has also been used as a base for fraud scams, but the victims are typically located outside the country.

Although there are no indications of mafia-style groups in Vanuatu, criminal networks engage in opportunistic crimes such as burglary and theft, with expatriate residences being the primary target. While corruption among Vanuatu officials has been regularly reported, there is no evidence of their involvement in organized crime. Theft of state funds may not be related to organized crime either, but the country's political instability has contributed to corruption among officials, creating a vulnerable environment for fraudulent activities.

There is no significant involvement of private sector actors in organized crime in Vanuatu.

crime and strengthen law enforcement networks. Tensions between Vanuatu's government and France rose in 2021 when French fishing vessels were spotted fishing illegally in Vanuatu waters, and the issue remains unresolved. While some organized crime-related offences are criminalized in Vanuatu, internal human trafficking is not identified and criminalized. The country's golden passport scheme allows citizens of third countries to obtain citizenship through investment, but individuals with links to fraud or sanctions have benefitted from it. Legislation regarding cybercrime was recently adopted, but concerns have been raised regarding its implementation and its possible restriction of freedom of expression.

## CRIMINAL JUSTICE AND SECURITY

Vanuatu's judiciary system is considered independent and operates through two high courts and subordinate courts but the lack of resources has hindered the hiring and retention of qualified judges and prosecutors, leading to reduced service quality to the population. While there are no units in the judiciary that specifically focus on organized crime-related issues, the Vanuatu Australia Policing and Justice Programme aims to support and direct the government of Vanuatu in maintaining security and the rule of law. However, long periods of detention are common

due to case delays, and prisons suffer from overcrowding, violence, and poor living conditions and infrastructure.

Law enforcement in Vanuatu comprises the Police Force, which includes the Vanuatu Mobile Force and the Police Maritime Wing, and a few units within the Criminal Investigations Department that somewhat deal with organized crime. Despite its limitations, the Vanuatu Police Force is committed to investigating and patrolling and has achieved notable results regionally. The customs office has an Electronic Advance data provision to help combat customs process delays and counter the transport of counterfeit goods.

Vanuatu's many smaller islands provide hiding places for criminals, particularly drug traffickers en route to Australia, which presents challenges for monitoring its borders. Vanuatu has published a national security strategy outlining its action plan for securing its borders, which includes a review of border agencies, the establishment of a Border Management Sub Committee, the conclusion of maritime boundary negotiations with France and Fiji, and the development of a more comprehensive network of extradition agreements with other countries. Despite these efforts, serious threats to the integrity of Vanuatu's maritime border are expected to persist and increase in the coming years.

## ECONOMIC AND FINANCIAL ENVIRONMENT

Vanuatu is considered a high-risk jurisdiction for money laundering and terrorist financing due to its rudimentary financial sector and lack of anti-money laundering measures. The country's strict secrecy provisions prevent law enforcement agencies and regulators from obtaining beneficial owner information, leaving legal entities vulnerable to criminal misuse and money laundering. The country faces threats from foreign predicate offences, cross-border currency movements, domestic bribery and corruption, fraud, and drug crimes. Moreover, the golden passport scheme makes it one of the most vulnerable jurisdictions to financial crime as it offers multiple channels for criminals to purchase citizenship.

Vanuatu's economy, which traditionally relied on revenue from offshore financial services, has experienced a relative decline in recent years. The economic and business environment has faced challenges due to complex and non-transparent bureaucratic procedures, rigid and outdated labor laws, and poorly managed state-owned enterprises. The country does not impose an individual or corporate income tax, and its Central Provident Fund has fallen victim to fraud and scams, which could be problematic for low-income Vanuatu nationals.

## CIVIL SOCIETY AND SOCIAL PROTECTION

Victim support provided by government agencies and Vanuatu's civil society is limited. Systematic anti-trafficking awareness campaigns are not conducted, and the government lacks an adequate system to research and assess the extent of its trafficking problem. While the labour department licenses and monitors agencies that can recruit workers from Vanuatu for overseas work, it does not prohibit recruitment fees for seasonal work out of the country. There is a Crime Prevention Unit within Vanuatu's police, but it does not publish its prevention strategies. Although sea patrols could be considered preventive measures against transnational drug trafficking and other crimes, they are not as effective as they could be.

Vanuatu's government generally respects press freedom, but there have been accusations of officials threatening journalists for their work. Recent legislation has raised concerns that it could be used to restrict media as it includes criminal penalties for threatening language, libel, and slander. NGOs are not required to register with authorities and are usually free to operate in the country. However, civil society does not appear to be very inactive, and there is no information about non-state actors playing a role in combating organized crime.

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