

Step 2 Company Incorporation

Who to contact?

The Vanuatu Financial Services Commission (VFSC) is responsible for company incorporation, along with other registry services. Contact details are as follows:

Mailing address:	Private Mail Bag 9023 Port Vila, Vanuatu
Physical location:	Bougainville Street Port Vila
Telephone:	+678 22 247
E-mail:	Wilfred Dovo (Senior Registration Officer) wdovo@vfsc.vu
Website:	www.vfsc.vu

What is the purpose of the requirement and its legal basis?

The purpose of the requirement is to enable investors efficiently establish a limited liability company to conduct business in Vanuatu. The *Companies Act* (Cap 191) regulates the formation of a 'local limited liability company' (hereafter referred to as company) which has the full power to conduct business in Vanuatu. A company may be either publicly or privately owned. Public companies are entitled to sell shares to the general public, while private companies are not.

A company must not conduct business before it has been issued a Certificate of Incorporation. Once issued with a Certificate, companies must file with the Registrar of Companies at the VFSC the following documents:

- Notification of any changes to the company's directors, shareholding and Secretary, and charges on its property.

- Certain special resolutions of the company.

- An annual return providing standard information about the company as at a specified annual date.

- Set of annual audited accounts (if a company's turnover exceeds VT 20 million in any year).

Note, investors may instead choose to operate as a sole proprietorship or partnership. Establishing this type of business entity only requires registering the business's name with the Registrar of Business Names at the VFSC. The *Business Names Act* (Cap 211) regulates the registration of business names within the country. The fee for registering a business name is VT 10,000 and must be renewed annually at a cost of VT 5,000 (if renewed before September 30 each year). A company does not need to separately register its name unless it chooses to operate under a name that differs from its full company name. In such a situation the company must register the alternate name(s) with the Registrar of Business Names.

How does the company incorporation process work?

Incorporating a local company involves the following steps:

Complete the prescribed application form (application for a Permit to Form an Incorporated Company) available from the VFSC, along with the following supporting documents:

- Memorandum and Articles of Association
- List of persons consented to be first directors
- Consent to act as director (one for each person consenting to act as a director)

Submit the completed application, along with copies of passport identification pages for all foreign citizens identified as shareholders and/or directors of the company, and the required incorporation fee to the VFSC.

Receive the Certification of Incorporation, and then obtain a company seal.

For more detailed information about the company incorporation requirements, along with the associated forms, please consult the VFSC website .

How are decisions made?

Applications to incorporate a company are approved if all the prescribed information requirements have been properly completed and the legal requirements fulfilled.

How long does it take?

Once a complete application has been submitted to the VFSC, it takes between 3 and 5 working days for a Certificate of Incorporation to be issued.

How much will it cost?

The fee to incorporate a company is based on its authorized share capital. The fee ranges from a minimum of VT 30,000 (authorized share capital of VT 35 million or less) to a maximum of VT 250,000 (authorized share capital of VT 300 million). A complete listing of fees can be found at the VFSC website. The same fee is paid annually.

The cost of obtaining a company seal from a local firm is about VT 3,000.