

# QUARTERLY REPORT

Update on the investment projects



VANUATU FOREIGN INVESTMENT PROMOTION AGENCY

*Thinking Investment - Choose Vanuatu.*

## QUARTERLY 1 2020

### Investor Story

It takes a lot of effort and sacrifices for a foreign investor to establish a business in another foreign land. Pacific Link Limited is one of the good examples currently operating in Vanuatu. Location wise is very considerable which leads Pacific Link Limited to establish its business in the largest Island of Vanuatu, Santo. Information and Communication Technology (ICT) is one of the important sectors destined for investment opportunity. And this is a perfect example for Pacific Link Limited, supporting rural communities and business enterprises located in Santo to have better access to the internet services.

Market opportunity in Espiritu Santo is relatively small which means the need for this particular service is evident. Mr Mihaila has identified that there is limited access to internet services available for rural areas. This led to the establishment of Pacific Link Limited, able to provide high reliability, packages which will offer unlimited connectivity at a generous price, for better uploading & downloading speed consumption.

The business is operating on Lot 7, Jubilee Farm, Espiritu Santo, located 15km from Luganville, Centre. A 200sqm building on the property that will be able to house the business and required assets. This property has been acquired in 2016 with an investment value of 19 million Vatu, which includes land, buildings and infrastructure of power, sewer and water. Mr Mihaila has met all requirements and approval from responsible government agencies to invest in Vanuatu. The company will benefit by offering service connectivity and more importantly capturing the essence of the two pillars- *Economic growth and Employment opportunity.*



Mr Dragos Mihaila

Mr Mihaila is a qualified accountant, with over 20 years of business experience, both in public and private sectors, including the communication and industry services industry. No wonder his experience qualifies him to invest in Vanuatu. Mr. Mihaila's exposure comes with passion for the field which has led to a wealth of knowledge in the Information and Communication Technology (ICT).



Pacific Limited Team

The satellite broadband service will be powered by Kacific Broadband Satellites. A Singapore based company focusing on providing high speed internet to the 40 million people of the Pacific region, including Vanuatu. To ensure that its customers have all the necessary infrastructure (both hardware and soft). To achieve the connectivity and ultimately in terms of becoming more efficient, competitive and profitable.

## Covid-19 & TC Harold

Due to the spread of the COVID-19, lots of projects needed to be postponed or cancelled. In addition to that, Tropical Cyclone Harold was considered a powerful tropical cyclone which caused widespread destruction in Vanuatu. COVID-19 preparedness activities were suspended to facilitate preparations and evacuations for TC Harold. Travel and social distancing restrictions associated with the COVID-19 pandemic were lifted for those seeking safe houses and evacuation shelters. Hundreds of people evacuated to shelters in Espiritu Santo and disrupted communications in rural areas made estimates difficult for many people. TC Harold was the first Category 5 severe tropical cyclone to strike Vanuatu since Cyclone Pam in 2015.

Vanuatu is rapidly approaching an economic crisis that could bring about a prolonged humanitarian crisis on an unprecedented scale. Employment opportunity faces a downfall and many business were affected by COVID 19. Vanuatu Government has acted impressively throughout these challenging times. By quickly closing borders and dealing with TC Harold response and come up with additional resources for future recovery.

TC Harold have caused destruction to many business companies especially in Santo, Luganville. Pacific Link Limited is among the business companies located in Santo. The causes of TC Harold causes minor destruction to the company.



**TC Harold causes minor destruction**

Pacific Link Limited survive the massive storm. *"Post THC, our dishes were the only ones who were still working the day after the cyclone and allowed people in Santo to communicate. We have installed one within a couple of days to NDMO office in Luganville as well" Dragos Mihaila. "The cyclone also coincidentally happened just after we have launched an improved service, so I had an influx of requests for new customers" Dragos Mihaila.*



**Newly install satellite dish after TC Harold**

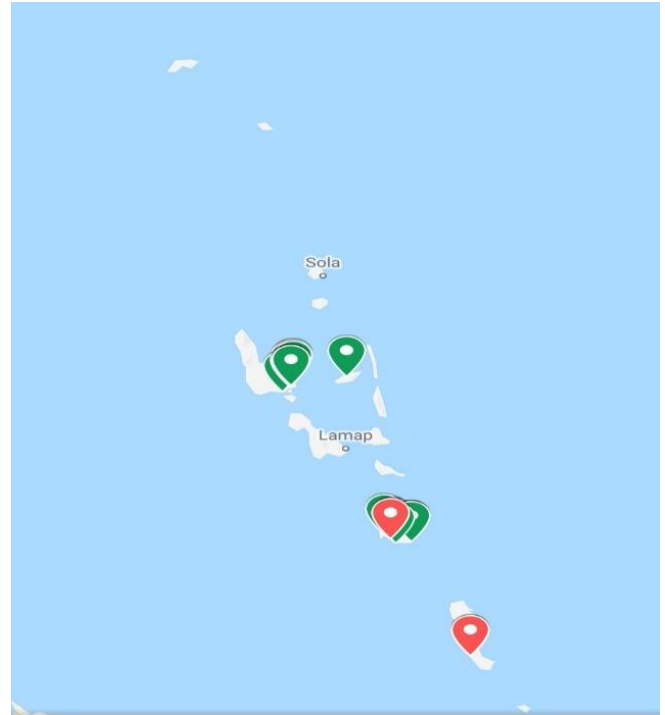


Due to the lockdown, Mr Dragos had to work from New Zealand. *"I am trying to run the business and coordinate jobs remotely and I had to rely on using contractors to do the jobs that I would have otherwise done. Everything from transport, communication to Labour is more expensive and I find that I have been put in the situation of investing a lot more in my business than I was planning to at this point"* Dragos Mihaila. Pacific Link Limited had to satisfy its customer needs by providing additional resources right after TC Harold.



Luckily, the business infrastructure was not actually damaged at all, but the plants & trees around the farm are very much down. It will take a year for plants to recover and there is a lot of clean up to deal with.

Providing and improving services to the clients has always been an enthusiasm for the Pacific Link Limited. The map below indicate a mix of clients & supplier. The green colored tags are the terminals that were operational next day after the TC Harold. Customers at the affected areas manage to use generators in place in order to have access online.



### G-PacLink-Santos hardware

 Vanuatu HADR Kacific Ka Sites

**Map indicating a mix of clients having access to Kacific Satellites after TC Harold**

In light to the event, Pacific Link Limited received positive responds from its clients.

### CUSTOMER TESTIMONIALS

*"Yes, our trusty dish held on and is keeping us online! We are checking the neighborhood and taking pics, letting neighbors know" ...Clare (after TC Harold)*

*"Appreciate all assistance from the team in getting our installation in and operating - its saved us in many ways as we are not able to travel back to see family etc. - quite difficult to be away from our daughter over the break for the first time - Zoom video Easter lunch tomorrow thanks to Pacific Link. Phil..."*



**Pacific Link Limited Premises**

boosting investment revenue in the ICT and also improving mobile network coverage throughout Vanuatu.

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COVID-19 and TC Harold potentially presents catastrophic outlook for both economy and public health. A threatful challenge to business companies like Pacific Link Limited, which still survive the event. Pacific Link Limited will continue to provide network coverage. With no true competitor at this point of time, Pacific Link Limited will continue to meet its high target. And that is to bring quality services that are reliable, with prompt support and good customer service.



Improving development of infrastructure and increasing skills through capacity building & training and knowledge sharing in the ICT Sector is a classic example provided by Pacific Link Limited. This will lead to greater employment opportunities in the Island of Santo,

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