

GOVERNMENT OF THE
REPUBLIC OF VANUATU

OFFICE OF THE DEPUTY PRIME
MINISTER AND
MINISTER OF FINANCE AND
ECONOMIC MANAGEMENT

MINISTRY OF FINANCE
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GOUVERNEMENT DE LA
REPUBLIQUE DU VANUATU

BUREAU DU
VICE-PREMIER MINISTRE ET
MINISTRE DES FINANCES ET DE LA
GESTION ECONOMIQUE

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ET DE LA GESTION ECONOMIQUE

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OFFICE OF THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE AND
ECONOMIC MANAGEMENT

TREASURY BILLS – PROSPECTUS No. 01/2025

(ISSUE IN ACCORDANCE TO THE PUBLIC FINANCE AND ECONOMIC
MANAGEMENT ACT [CAP 244].

NOTICE

1. The Treasury Bills will be issued under the authority of the Minister of Finance and Economic Management Under Part 13 section 54 and Section 56 of the PFEM Act.
2. The Reserve Bank of Vanuatu ('RBV') is appointed to act as the agent and registrar of the Government of Vanuatu ('Government') for the purpose of the issuance of Treasury Bills in accordance with Section 56 of the Public Finance and Economic Management Act of 2019. Issuance of Treasury Bills will be made at a discount and may be offered over a range of maturities from 90 days to a maximum of 365 days ('Bills') based on the Annual Treasury Bill Calander set by the Department of Finance and Treasury.
3. VANKLIA is the designated electronic payment system, administered by the RBV, to facilitate interbank transactions of the Treasury Bills.

LODGEMENT OF TENDERS

4. Invitations to tender for Bills will be announced regularly by the RBV via electronic mails, in nominated daily newspapers and/or other media forms. Each invitation will include details of:
 - a. The amount offered and maturity dates of the Bills offered.
 - b. The date and closing time of tenders;



c. Settlement arrangements.

All invitations to the tender and all tenders for the Treasury Bills shall be made in terms of and pursuant to this prospectus or any prospectus issued by the RBV in substitution of this prospectus.

5. Tenders will be received on a competitive or non-competitive basis as follows:
- ❖ Competitive tenders will be received in multiples of 10,000,000VT (face value) and the minimum tender will be 10,000,000VT (face value).
 - ❖ Each tender must be submitted on a percentage yield per annum basis and must be expressed to the second decimal place (e.g. 5.17% or 4.05%). Decimal points beyond two places will be disregarded. Each tender must be for one rate and be made on the form attached to the prospectus.
 - ❖ Non-competitive tenders will be accepted in multiples of 20,000 VT for a minimum amount of 20,000VT (face value) up to a maximum amount of 9,999,999VT (face value).
 - ❖ Non-competitive tenders will be limited to one tender per maturity. These tenders will be accepted at the weighted average annual yield of the accepted competitive tenders.
6. Participants are to submit their bids using the Vanuatu Central Depository System (VCDS). The non-VCDS participants are to liaise with their banks to bid on their behalf and their banks will submit their bid amount through VANKLIA to the Reserve Bank of Vanuatu.

The transfer details for VANKLIA are provided below:

- SWIFT: RBVAVUVUXXX
- Beneficiary Name: Government Treasury Bill Account
- Beneficiary Account No: 30108028 CORP HO
- Narration: Purchase of Treasury Bills

ALLOTMENT

7. Allotments of Treasury Bills will be made by the RBV within the limits prescribed by the Minister for Finance. VCDS will generate Awarded Report and emailed to the successful non-VCDS participants to settle their payments through VANKLIA.

For competitive tenders, allotments will be made in ascending order of annual percentage yield tendered. The RBV reserves the right to accept tenders less than or more than the amount in the invitation to tender.



In the event of under subscription of tenders, the RBV may accept for its own account the balance of Treasury Bills not allotted by tender at the weighted average yield for accepted and allotted competitive tenders. However, if no competitive bids are allotted, the RBV may use the yield which is published. Further consultations between the RBV and Government will need to be undertaken if such event occurs.

SETTLEMENT

8. Interest on Treasury Bill Investment will be calculated as follows.

$$Price = \frac{\text{Face Value Tender}}{1 + (i \times \frac{n}{365})}$$

where i: annual percentage yield tendered / 100

n = days to maturity

Once the allotment of Treasury Bills has been made, the settlement for successful bids will be done through VANKLIA on the issue date.

For non-VCDS participants, if the settlement amount for an accepted tender exceeds the Face Value, the successful bidder is to settle the difference through VANKLIA by 3.00 pm on the issue date. If, however, the settlement amount is lower than the Face Value, then any excess payment will be refunded on the issue date.

VCDS will generate a Portfolio Statement that will be issued to successful investors.

REDEMPTION

9. Treasury Bills will be redeemed on the due date for the face value. If maturing on a weekend or statutory holiday, then the Bills will be payable on the first working day after such holiday.

In the event the Government wants to redeem Treasury Bills before the maturity date, it may do so at a mutually agreed price between the Government and the investor. Upon redemption of Bills, the VCDS will generate the redemption corporate action settlement and payments are settled into the investors commercial bank account through VANKLIA.

TRANSFER OF TREASURY BILLS

The notes are negotiable and transferable. However, they can only be transferred to one or more of the registered bidders. Transfers are effected once the deliverer of the security finds a buyer of that security and their VCSD system participant will perform the Delivery verses Payments



Operations where the buyer and the seller enter certain information into the VCDS system. This in effect enables the funds to be credited into the sellers cash account and the security will be credited into the buyers security account. Upon maturity, repayment will be made to the last holder of the Security

GENERAL

10. Treasury Bills are authorized investment for Trustees in Vanuatu
11. As a security measure, the loan and interest payable on it are a charge on and payable out of the Consolidated Fund of Government which is the Government Central Account.
12. All the amounts in this Prospectus are expressed in Vanuatu Vatu.

Hon. J. Koanapo Nies RASOU (MP),
Deputy Prime Minister & Minister of Finance and Economic Management



Date: 15 October 2025